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STANDING COMMITTEE ON GENERAL GOVERNMENT

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989

WEDNESDAY 20 SEPTEMBER 1989

Morning Sitting





STANDING COMMITTEE ON GENERAL GOVERNMENT

CHAIRMAN: Elliot, R. Walter (Halton North L)

VICE-CHAIRMAN: Faubert, Frank (Scarborough-Ellesmere L)

Bryden, Marion (Beaches-Woodbine NDP)

Callahan, Robert V. (Brampton South L)

Charlton, Brian A. (Hamilton Mountain NDP)

Cordiano, Joseph (Lawrence L)

Cureatz, Sam L. (Durham East PC)

Fleet, David (High Park-Swansea L)

McLean, Allan K. (Simcoe East PC)

Ruprecht, Tony (Parkdale L)

Sola, John (Mississauga East L)

Substitutions:

Farnan, Michael (Cambridge NDP) for Ms Bryden

Laughren, Floyd (Nickel Belt NDP) for Mr Charlton

Marland, Margaret (Mississauga South PC) for Mr McLean

Reycraft, Douglas R. (Middlesex L) for Mr Ruprecht

Clerk: Carrozza, Franco

Clerk pro tem: Mellor, Lynn

Staff:

Anderson, Anne, Research Officer, Legislative Research Service

Witnesses:

From the Town of Dundas:

Addison, John, Mayor

Fenwick, William E., Director, Department of Parks and Recreation

From the Hockey Development Centre for Ontario:

Davis, Barrie, Chairman of Finance

Downs, Neil, Executive Director

Gardner, John, Vice-Chairman

From the Tecumseth and West Gwillimbury Historical Society:

Anderson, Allan, President

From the Tottenham Concert Goers:

Bailie, Barbara, Executive Member

From the Toronto Theatre Alliance:

Stolk, Jini, Executive Director

Strombergs, Vinetta, Vice-President



LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday 20 September 1989

The committee met at 1009 in room 151.

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989  
(continued)

Consideration of Bill 119, An Act to amend the Ontario Lottery Corporation Act.

The Chairman: The chair recognizes a quorum. I would like to welcome the presenters to the hearings on Bill 119, An Act to amend the Ontario Lottery Corporation Act. This is the standing committee on general government, and our first presentation this morning is by the town of Dundas, the parks and recreation department. According to my agenda, William E. Fenwick, the director of that department, and Mayor John Addison are going to be making that presentation.

If you would like to take a place at the presenting table and begin your presentation, we would appreciate it.

TOWN OF DUNDAS

Mayor Addison: My name is John Addison. I am the mayor of the town of Dundas. I will be very brief. I am just going to give you a bit of a preamble and then Mr Fenwick will present the town's case and position on this matter.

Representing the council and the people of Dundas, there are naturally a fair number of concerns that we would have and would wish to express, mainly on the fact that if the lottery funds are curtailed in any way to recreation, or if the lottery funds are curtailed in any way to culture, then smaller communities, especially towns such as Dundas, are going to suffer probably out of proportion to what a larger community would.

In the past, these lottery funds have enabled us to do everything from expanding playing fields, installing lighting and rebuilding arenas which were deemed to be unsafe eight or nine years ago, to building a centre for the arts. Without these funds being made available to our community we have two real options: either we have to cut back on the level of service that is available to our citizens or we have to put an inexcusable increase on their tax burden.

We are not in a position to raise taxes to the point where we would be able to maintain services at their current level, and therefore we would have to cut the services back. Unfortunately, we do carry a high level of service for individuals in recreation and culture, partly because we have been encouraged in the past by the Ontario government to get into this level of service and partly because we have been encouraged to believe this funding would be there in order to maintain it.

Our costs have increased dramatically in terms of development, staffing and maintaining these facilities, and we simply cannot pass along increased



costs in terms of building or what have you, whether it be for tennis courts or cultural facilities, to our taxpayers.

The upshot of it all is that we would have to cut back on the services rather dramatically to the people within our community. We do not find that to be a viable route we wish to follow simply because, especially in southern Ontario, with neighbouring communities there is always the feeling, "Well, this community has it, why can't we have it?" We do not share the industrial base of a lot of these communities.

In summary, the town of Dundas relies very heavily on the availability of these lottery funds coming through. We are not asking for an exorbitant amount. We do expect just to get our share. We do not mind following the procedures for application. We have been rejected in the past for certain projects and we can understand that. We do find, however, that if a certain amount or a stated amount is not set aside for culture and recreation that the general level of culture and recreation in the communities in Ontario will suffer negatively.

I would ask Mr Fenwick if he would carry it from there simply to give the staff's version of it since they have a much better grip on it than the politicians do. Thank you.

Mr Fenwick: Where we stand in regards to the department of parks and recreation and what has been recommended through the town council at the town of Dundas is that we would like to go on record that we are in opposition to An Act to amend the Ontario Lottery Corporation Act. The position we are taking is that through communication with the city of Toronto, we are recommending that its recommendation be followed.

I believe the city's application and presentation was made to this committee yesterday and in that recommendation there were basically two main lines of thought. One was that a trust fund be initiated with the accumulated profits of the Ontario lotteries—the \$369 million that is termed surplus—and the interest thereon should then come back to sports, recreation, culture and fitness, with that interest being shared equally among those sectors.

The second part of the recommendation that was expressed as well was that one third of the annual profits of all the six lotteries be reallocated to culture, recreation, sports and fitness. So our basic position is to support the city of Toronto's recommendation.

The concern as was expressed by Mayor Addison is that we, from a department standpoint, can ill afford not to have at least what currently is available through the opportunities of the Ministry of Tourism and Recreation and its granting programs.

Many municipalities and organizations that have not already expressed it will express the same concern. I do not think Dundas is any different from any of the other organizations in its concern or perception of what may or may not take place. I think this is the concern we would like to express as the town of Dundas.

It is not so much the reality of the situation, but it is the perception that people may have of the situation. We do not have any outstanding things to add in regard to the need for the lottery funds. I think what we want to express today is the concern of the perception that may realistically be out there or may be just a perception.



I would like to go back to 1986, when Bill 38 came into being. It died on Orders and Notices because of the opposition that was expressed at that time. In 1988 again, Bill 119 was introduced, went through first and second readings, and is now at the point where we are being represented through associations and municipalities. The concern we express is that the representative process was not advertised, or if it was advertised, was poorly advertised, with limited time for communities to respond.

As an example, when my name appeared, I found out through an association contact that this situation did exist. I phoned, got permission and was given an opportunity to come. The problem is that a lot of municipalities and associations were not aware of that. When I was contacted by the newspaper that covers our area, the reporter said: "I noticed you are on the list. Why aren't some of the larger municipalities on the list?" I explained that. I think the concern was, "Why didn't they know?" My concern back to them was that it was because it was not advertised, it was not promoted, there was no communication back to the municipalities and the associations. She checked it out with her newspaper to find out if there were past articles, and there were none to speak of.

So that was a concern, which brings back the point that the perception is that here is something that is not being discussed openly and communicated with organizations and associations that are going to be directly affected by the change. It is almost as if it is a backdoor effect. We do not know whether that is the perception or whether that is the reality, but that is what is being expressed to us.

As explained in the past, there is not a lot of confidence, there is not a lot of trust, which should be there between the ministry and the government with regard to past experiences and what will take place in the future. It is nice to say that the funding will remain the same and nothing will really change, but that again is the perception.

Again, it looks like all of a sudden the surplus funds, as you call them—we prefer to call them unallocated funds that were originally intended for the purpose of culture, recreation, sports and fitness—are looked upon as a way out for assisting in funding of hospitals and so on.

The concern I have as a recreation director is that in 1985-86, we were being told by our consultants and people whom I deal with directly that one of the reasons why our grant applications were not being accepted was that the money just was not there. They were allocating and accepting more projects faster than the money was coming in.

Naturally, to my surprise, in 1988, when I find there is a surplus of funds that has now accumulated to \$369 million, I wonder what is going on, especially when the town of Dundas was refused three applications in a row for a project that we ended up getting \$17,000 for from the government. On the same basis that Mayor Addison explained, this minimal amount of money is a major item for us because we just cannot construct new facilities without assistance. That is just a fact.—

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Another perception I would express is that it has been explained to me by associations—we have 37 leisure service associations within the municipality. I belong to an area recreation directors' association and to a regional association as well as a provincial association—and the expression



to me is: "What are you going down to Toronto for? The decision is already made. It's just going to go before a committee. It's going to go on deaf ears and they're going to do what they want to do."

I hope that is not the case. I hope these three weeks of meetings are going to strike some means by which some movement can be made away from the suggested amendment to the act and some consideration be given to some of the recommendations that are put forward.

In conclusion, I would like to say that the town of Dundas opposes Bill 119 and supports the city of Toronto's recommendation as a more reasonable, workable and co-operative way of approaching the Ontario Lottery Corporation Act. It has been said that the perception people have of you is sometimes just as important as what you are really like. The town of Dundas just hopes that the perceptions people have expressed to us about the present government and how it is handling Bill 119 do not turn into tomorrow's realities.

Mr Cureatz: We had the city of Toronto people in yesterday with, I have to admit, great fanfare; as the mayor of the city indicated, without going into overkill—and then they did. However, they expressed very similar concerns to those you have expressed in representing your own town.

You indicated the same line of thought this morning that everyone has expressed. I am overwhelmed by the consistency. There must have been a lot of negotiation, correspondence back and forth, about the one-third aspect, that there should be a designated amount.

It has been asked many times by my Liberal colleagues that there is always the possibility, with the setting in stone of the one-third amount, that in a year when the lottery funds decrease substantially, it would mean that the allocation of one third would decrease accordingly. Are you willing to accept that possibility? Just to follow through, it would mean that you are competing with the same number of groups for less funds.

Mr Fenwick: Yes. I think the answer to that is that currently the amendment to the act, as it is outlined now, does not provide any type of minimum amount. At least the one third—and we are talking one third of all six lotteries—would provide us with what we feel, in the estimates of the way it is going, is the minimum amount that is needed to carry on.

The concern that has been expressed to myself and the concern that I have as an executive of the provincial association is that when we look at the ministry and the allocation for sports and fitness, we are being told: "You're lucky. You have not been cut back. Other ministries have been cut back."

The response I have to that is, "We have maintained the dollar amount, but in the last while, because of the situation we are in with land acquisitions, construction costs and everything else, the actual fact is that the same amount of money is doing less for us."

So we feel that one third of all six lotteries would provide us, and if it comes to a point where there is not money there, then we have to accept that just the same as the other groups who are involved. If the money is not there, it is not there.

The other concern expressed in recommendation 1 is the amount of money that is deemed by the practitioner as being unallocated but deemed by the government as being surplus. That is a concern, especially because of the fact



that less than three years ago we were told the moneys were not coming in as greatly as now we are finding out they were. With regard to these unallocated funds, people had been turned down and projects put on hold because we were told funds were not there and we are finding out funds were there.

Mayor Addison: If I might add something to that, when 100 per cent of the fund was used for culture and recreation, we knew that, "There's the pie and this is how it's divided." If the lottery funds dropped when 100 per cent was available, we all understood that less would be made available in disbursements. If one third is the designated pie, then we all understand that if the lottery funds shrink, then the portions of the pie will also shrink accordingly.

It is almost impossible for a small municipality to get involved in any long-term planning in recreation and culture without some kind of commitment that we know is there, because we do fund-raising within our community. For example, we have a baseball diamond that we are trying to bring on stream. The total cost is approximately \$350,000. The town has committed \$150,000. We are looking for one third from Wintario, but we are looking for \$95,000 to be raised locally by fund-raising groups. If we come up with the town's share, which we will, and the fund-raising groups come up with their share, and then we are short the third of the cost, the \$125,000 or \$110,000 from Wintario, then the project will have to be scrapped. So we put the citizens of the community through everything—we always make excellent applications—on the assumption that if everything follows through, eventually we will get the money. If it is all very vague, we cannot get citizens' groups to contribute their time and effort. It is the vagueness that turns everybody off. If it is just sort of a shot in the dark or if it is a big "maybe" issue, we cannot get people to raise money.

Mr Cureatz: My colleague from Brampton always asks this question, and actually I sort of like it, although it may not have particular relevance all the time in terms of precedent-setting for municipalities; but in terms of the budgetary process, is there something similar in terms of a definite allocation you give as a municipality to a particular sports or cultural group, that it relies on X dollars every year?

Mayor Addison: Yes. In our budgetary process in Dundas, we allocate a certain amount of money, a percentage on a per capita basis towards culture and recreation—towards culture specifically.

Mr Cureatz: Mr Callahan might want to get in on that.

Let me conclude with your expression of "deaf ears." Let me tell you, for those of us who are now in opposition, it does get frustrating. My New Democratic Party colleagues, who are now the official opposition, have indicated a proposed amendment to the legislation. I do not know if they have a copy here available, but I suggest that you review it. There is a good possibility that our party will be supporting it for consideration by all party members when we do clause by clause. So we do hope that will make some impact. I appreciate, after the glamour and the fanfare we had yesterday, a small municipality in Ontario coming forward to express its concerns.

Mr Callahan: I just want to clarify that. You say you have a guaranteed amount in your budget for sport—

Mayor Addison: For culture.

Mr Callahan: For culture. Is that a set amount for this year and in perpetuity?



Mayor Addison: Yes. It is based on two things. I believe it is one mill that we allocate towards culture each year.

Mr Callahan: That is in the good years and the bad years?

Mayor Addison: All the years.

Mr Callahan: That is written right into your budget.

Mayor Addison: Yes.

Mr Callahan: No council could change that whatsoever.

Mayor Addison: Councils can change anything. If they they wanted to, down the line they could increase it.

Mr Callahan: I see. They could also decrease it.

Mayor Addison: They could decrease it if they wanted to, but what has happened is that the community has built facilities that have come to rely on it. We have programs in place. We have a fairly large seniors' population within our community, which is growing, and we have put in place programs and hard facilities. We have an arts centre or a cultural centre within the town. We have put in place hard facilities. If we were to decrease it, we would be in a position where we would have to cancel programs and close the facilities.

1030

Mr Callahan: I spent 16 years on my council and we had a grant process which was adjusted up or down, I suppose in terms of whether it was an election year or a nonelection year, or whether it was a bad year or a good year, and so on.

Mayor Addison: Or who came through the door.

Mr Callahan: Mr Cureatz has raised something that concerns me, that any fiscally responsible body would be called upon in perpetuity to allocate a specific amount of the funds, albeit even from lotteries. It seems to me to be, first of all, creating a precedent, because if one group in society gets it, then why should seniors not have that, why should hospitals not have that, and why should we not compartmentalize each person who receives money from the government in terms of its operation?

What impact does that have on giving a government the flexibility to look after the common good of all the residents of this province; or, in the alternative, what assurance does that give groups that get that? I am not sure if you asked for a minimum of a third or you asked for a third. If you asked for a third like Mississauga did—it asked for a third and agreed to two thirds going to the hospitals—what happens in the bad years of lotteries? Could a government not say to you: "You are stuck with that. That's all you get"? It is a double-edged sword there, too.

Mr Fenwick: If I may add, Mayor Addison was referring to the cultural component. I think he expressed that. The sports groups and craft groups make application on a yearly basis, as they do in other municipalities. Those grant applications are reviewed and budgeted appropriately. There is a unique situation in Dundas with regard to the centre for the arts and the cultural components, because they basically raised the funds themselves to construct the building.



They have a board of managers who operate it, and they appeal to the council each year with regard to providing information, but when this was done, it was agreed that the town would assist with the cultural component with regard to that. The other groups come through my department for grant requests and it goes up and down depending on requests and depending on the availability.

Mr Callahan: That is what I wanted. It is not a third of your municipal budget; it is an amount that is set by council each year. What you have is a policy, which I think is admirable, that you will agree to give these groups something each year to show your support. That is flexible enough to reflect the good and bad times of the spectrum.

Mayor Addison: It is set by mill rate. The cultural component is set as a portion of the mill rate. It is set by bylaw, so that bylaws can be changed by succeeding councils. If they thought it was insufficient it could be changed, or if too generous it could also be changed, by future councils. The problem is that you establish a certain quality of life in any community.

Mr Callahan: I appreciate that.

Mayor Addison: They expect that the quality of life will not deteriorate over the years. They also consider it from the municipal point, because we are cheek by jowl with them. We are right there and they sort of complain repeatedly about their level of taxation. It comes from there that we have said, "Yes, this is what we will commit to cultural activities within the community," whether it be the town bands or the cultural centre. So that is set by bylaw.

Mr Callahan: Okay. Thank you.

The Chairman: A final comment or question by Mr Sola?

Mr Sola: I am sorry I had to step out for a few moments to tend to a school that had a tour of the place. I had to meet them and give them a little bit of insight on democracy.

This may have been raised while I was out. You mentioned that the government was using the surplus as a way out, and that you cannot understand that, because there were certain proposals that were refused and then you found out that there was some sort of surplus.

I would just like to point out that I look at this bill as a clearing of the books, sort of as a housekeeping matter. I think when this government came into power and when the Treasurer (Mr R. F. Nixon) looked at the books, he saw the surplus and he said, "Great, we've got some money to use." Then when he started searching for the money, he could not find it. This being an open government, he figured, "Let's have the books reflect the reality." The reality is that that surplus has an asterisk beside it; you have to search for that asterisk, and somewhere along the line when you find, it says, "Money has been spent."

So the surplus is a figment of the imagination or, which is apropos with the cultural groups, is a poetic licence type of surplus. I think all this bill does is try to eliminate that surplus, eliminate the imaginary effect it has on people, saying: "Take that surplus. Put it in trust. Use the interest to fund the arts and recreation." You can put nothing in trust. The interest on nothing is nothing so you are asking for nothing.



I think all this bill does is try to get back to square one where it makes the system accountable. If you do not get your allocations, if you make a proposal and you get turned down, with this bill you will be able to blame the government. The other way, as you said you thought, there was no money in the pot. If there is enough money garnered from the sale of the lottery funds, if you do not get your allocations, you will be able to say: "It's government policy, the government has some reason for doing it." So I think this bill is straightforward, not a sneaky way of doing the job.

Mr Farnan: Is Mr Sola saying that the government has spent the money that was designated for lotteries?

Mr Sola: I am saying the government has inherited a system where it said there was money in the pot from day one and the money was not there when we looked for it.

Mr Farnan: But over the last five years—

The Chairman: I would like to stop this questioning across the floor, if you do not mind, Mr Farnan and Mr Sola. I think the witness was ready to react to Mr Sola's statement, and that would be in order.

Mr Fenwick: I was just going to respond that if in fact that is the case, then I think there is a lot of people out there who are misinformed. Again, I come back to perceptions and communication. I was very surprised to find out this money was there; I am today very surprised to find out it is not there. I do not know who to believe. But I have a feeling that a lot of people out there, who are concerned, who have been given misinformation to believe the money is there—The people who have expressed to me are people who I know do their homework. I cannot see how they can estimate increases in moneys that are not there, to go from just 1986 to 1988. I am still in a quandary. I do not know who to believe. Is the money there? Is it not there? Who knows?

The Chairman: I would like to thank you very much for your presentation, Mr Fenwick and Mr Addison. It has been helpful.

Mr Fenwick: Thank you.

The Chairman: Our second presentation this morning is on behalf of the Hockey Development Centre for Ontario. We have four presenters listed: Neil Downs, the executive director; Barrie Davis, the treasurer; John Gardner, the vice-chairman; and Fred Mantle, the chairman of that group. If you would approach the presenters' chairs and proceed when you are ready to go.

1040

#### HOCKEY DEVELOPMENT CENTRE FOR ONTARIO

Mr Davis: My name is Barrie Davis. I am from the Ottawa District Minor Hockey Association. I am the finance chairman of the Hockey Development Centre for Ontario. Fred Mantle, on my left, from the Ontario Minor Hockey Association, is the chairman of the hockey development centre. John Gardner, from the Metropolitan Toronto Hockey League, the president of that organization, is the vice-chairman of our hockey development centre. Neil Downs is the executive director for the centre, and we also have Wayne Dillon with us this morning, administrative co-ordinator of the Hockey Development Centre for Ontario.



We welcome this opportunity to appear in front of you this morning. We have a prepared document, but Murphy's law was operating this morning. I just got in from Ottawa and our computer broke down and the printer broke down, so I will have to ask you to make the corrections as I go through this. I apologize, but there is nothing we could do about it. It was either wait for the thing to get fixed or get down here and make this appearance, and we thought that was more important than waiting for the computer to be fixed.

In our presentation, we will not be spending a lot of time dwelling with facts and figures. You have briefs from the Parks and Recreation Federation of Ontario and the Ontario Municipal Recreation Association with facts and figures relating to the funds. We will make some brief comments on some of the moneys, but generally we just want to make the presentation on behalf of hockey, how it affects our sport, and what we would like to see done with Bill 119. With that, I will read through this; as I said, I will ask you to make the corrections as I go along.

The Hockey Development Centre for Ontario is now a provincial sport organization, but originally was an organization established to assist various Canadian Amateur Hockey Association affiliates and any other interested hockey bodies in the training of coaches, trainers and officials. The affiliates of the hockey development centre are: the Thunder Bay Amateur Hockey Association, the Ontario Hockey Association, the Ontario Minor Hockey Association, the Metropolitan Toronto Hockey League, the Northern Ontario Hockey Association, the Ontario Women's Hockey Association, the Ontario Hockey League, the Ottawa District Hockey Association, and the Ottawa District Minor Hockey Association. There are approximately 300,000 players participating with these organizations, ranging in age from five years old to adults, and from house league to élite in hockey skills.

The board of the Hockey Development Centre for Ontario is composed of representatives of each of its affiliates plus one public sector person appointed by the government of Ontario. These people are all volunteers, as are the other 100,000-plus who donate their time to hockey in this province. These people give freely of their time and in addition must of necessity contribute financially to our sport.

I alluded earlier to the original mandate of the HDCO, specifically to assist in the training of coaches, trainers and officials. In 1986 we of the Hockey Development Centre Ontario had a think tank at the Pinestone Inn and made plans for hockey in the last half of the 1980s. The principal resolutions established were: (1) making hockey a safer game; (2) expanding the role of the hockey development centre to become one voice for hockey in Ontario; (3) improving the image of the game at the amateur level; and (4) where possible, simplify and co-ordinate the regulations and rules of the game.

Coincidentally, the government of Ontario in 1987, through John Eakins, the then Minister of Tourism and Recreation, announced that his government was concerned about the escalating cost of sports injuries in Ontario and that he had some initiatives that would reduce and, wherever possible, eliminate them.

We have been working in co-operation with the government since that time to attempt to achieve our common goals. It is, however, difficult to make this type of commitment when we are faced with constantly diminishing grants in real-dollar terms from this government. This is particularly hard or difficult to understand in light of the increased finances available to this government through taxation and the significant income derived from lotteries.



When the Ontario Lottery Corp was established in 1974, its financial commitment was solely for "the promotion and development of physical fitness, sports, recreational and cultural activities and facilities therefor." The final sentence from the next paragraph should be here: This was amended in 1980 to include the Ontario Trillium Foundation.

Over the 13-year period, 1975 to 1988, \$980 million—not \$950 million—were in fact disbursed to this commitment. However, \$369 million remain uncommitted to this point.

The negative impact of this holdback has been an unjustified cost increase to the volunteers, participants and parents in our sport. Municipal governments are forced to increase the costs of ice rental to levels that make it difficult for the minor hockey associations to exist. The lack of moneys for construction of new arenas and the maintenance of existing ones certainly flies in the face of this government's commitment to make our sport a safer game.

Just on that point, I would like to read to you a letter from the St George and District Minor Hockey Association, a small association in St George, Ontario, that Mr Mantle brought in just this morning. It is addressed to the South Dumfries parks, recreation and community centre committee in St George, Ontario from the treasurer of the St George and District Minor Hockey Association.

"Dear Mr Pancoe and committee members:

"On behalf of the St George and District Minor Hockey Association, I respectfully submit our request for a grant in the amount of \$4,000.

"I have enclosed our past year's financial statement as requested, and also for comparison, our statement from the 1977-78 season. In 1977 we received a grant for \$4,400. This amount continued until 1982 when the grant amount was decreased to \$4,000. Then in 1983, this amount was decreased again by 50 per cent to \$2,000. Each year since, we have requested at least \$4,000 but have gratefully received only the \$2,000.

"By comparing the statements, you will see that the costs have more than doubled. Our deficit in 1978 was \$700 and now in 1988 it is \$5,474. Our capital fund at year-end is depleted to \$3,000 and this amount will be needed to cover our final ice costs for this current season.

"We ask that you please consider increasing our grant so that we may continue to provide minor hockey programs to the families in South Dumfries and district. If any further information is required concerning our financial status or our request to you, I would be pleased to comply.

"Again, on behalf of the St George and District Minor Hockey Association, I thank," etc, "Cathy Potter, Treasurer." This was not something that we particularly went out and got. Mr Mantle just got a copy of this. Those are the kinds of things we hear all the time about the costs.

Going back to the prepared text, to elaborate, our studies have shown that modifications to existing arenas would create a safer environment and that Olympic-size ice surfaces would reduce injuries significantly and thus reduce health care costs. In addition, much-needed projects and programs are being reduced, specifically:

1. Officials' (referees and linesmen) training and supervision which is



2. Coaches' training and supervision, another key part of our safety program.

3. Travel and accommodation restrictions for our teams who participate in provincial championships will become necessary in light of recent changes which eliminate payment for 150 kilometres on each leg of a trip. The Wintario guidelines commit up to 50 per cent of travel and accommodation costs to be paid from its funds for the provincial championships. This percentage is now down to approximately 40 per cent, a significant decrease. This could conceivably lead to the complete elimination of these championships.

We request that the \$369 million be placed in the consolidated revenue fund to be disbursed in accordance with the terms and conditions of section 9, chapter 126, SO 1974, as it was originally intended.

We have no quarrel with the maintenance of our health care system's financial wellbeing. It is second to none and we wish that situation to continue. However, to tie health care funding to lottery funds will do little to assist in its maintenance, while the negative impact on sports and recreation could be devastating.

Consider for a moment. If this bill is passed in its present form, all unexpended funds disappear immediately and any funds accumulated annually in the future would do likewise. This could and in all likelihood would lead to less and less money being committed to being spent on "holistic medicine" sports and recreation, and more and more being kept in the consolidated revenue fund to be given to hospitals at the end of each fiscal year. In other words, the government would expect at least what had been expended the previous year to be available again and would take whatever steps necessary to ensure that this took place. One has only to look at what is being proposed in Bill 119 and what has happened to funding since Bill 38 was withdrawn to see what the government's real, ongoing commitments to sports and recreation are.

We in hockey are already feeling the effects of this government's cutbacks to our sport in the aforementioned objectives we are endeavouring to achieve. This is not to be construed as criticism of those dedicated government employees who work at the Ministry of Tourism and Recreation. Their hands are tied. This government has not given the Ministry of Tourism and Recreation sufficient moneys to allow its administrators to fund worthwhile projects that both they and the representatives of the sport agree should proceed.

1050

"Wellness" is a new buzzword that we in hockey feel our sport should exemplify, along with many other achievable goals we have established for hockey in the 1990s. In the package we gave you this morning there is a brochure on hockey in the 1990s, another conference that we held about where we think hockey should be going in the 1990s. I leave that to you to read at your leisure.

I also used the term "holistic medicine" earlier, and it is our firm conviction that hockey is a sport that assists a person towards becoming a healthy, well-rounded individual.

We want to expand our hockey family at the HDCO by offering our services to all who play or wish to play the game, but in order to achieve this expanded mandate, we must have some increased assistance from government. We



do not intend to nor do we want to become dependent solely on the government for our funding and we are attempting to become more self-reliant. The problem is that each time we do in fact raise moneys there is a matching decrease in government funds.

If this government is committed to sports and recreation it will withdraw Bill 119 and maintain the act in its present form. Failure to do so is a betrayal of a promise made to us in 1974 and one that we in hockey will not allow to pass unnoticed or unpublicized to our hundreds of thousands of volunteers and participants in virtually every city, town, village and hamlet in Ontario.

Ladies and gentlemen, I thank you for hearing us today. If there are any questions, we will do our best to answer them, but I would once again urge you to recommend the withdrawal of Bill 119 or let it die a well-deserved death on the order paper.

The Chairman: Thank you very much. My first question or comment is from Mr Farnan.

Mr Farnan: Thank you very much for your brief. It certainly puts the whole hockey area into the perspective of Bill 119, and I think all parties present at this committee would want to thank both you and all the other volunteers who make such a magnificent contribution to the wellness of our society, the health of our society. I noticed that you stressed in your brief, that really, by pitting hospitals against culture and recreation, you are actually pitting hospitals against preventive health care.

We all know that the government spends about a thousandth of every health dollar in preventive health care. That is one tenth of one cent on preventive health care. So with the concept of a healthy body, healthy mind, healthy society, I think there is a clear message that you are bringing to the government.

I want to ask you a very specific question. Mr Sola, in having dialogue with the last delegation, said the money is spent in terms of the accumulated revenues. Now, we will not get into the semantics of whether that is theft or whether it is just the way government is run, but the money that was there and that was designated, we have been told consistently by the government members of this committee is spent, is no longer there.

Would you support the premise that if the money was taken from culture and recreation and put into the consolidated revenue and spent by the government, that that money—what we are talking about is about \$400 million—should come back from the consolidated revenue and be put back into the trust fund? Is that where we have to go for that \$400 million?

Mr Davis: From hockey's perspective, as far as we understand, the money is still there. We would like the moneys to stay there and we would like the moneys to be disbursed to us in hockey and other sports and recreation, because we have had consistently to go back to the volunteers, to the parents, to the people and keep getting the money from them because of increased costs. That money should have been disbursed to sports and recreation as was originally intended.

Mr Farnan: Right, and all of the delegations that are appearing before us are saying that the money should be there. But the government is saying so explicitly that the money is not there any longer that I suppose we have used the word "theft." We feel that there is no other word for it.



I want to come back now for the final question to your final paragraph, the word "betrayal." I think what you had in the past was a trust. In 1974 the legislation was in fact a trust between the government and the culture and sports groups of Ontario. They said to you: "These are the lotteries. These funds will be designated for your use."

Mr Sola: To be available.

Mr Farnan: Whatever the semantics are. The government is getting hung up on words. But when you say to somebody, "These funds will be available for your use," my understanding of that means that they are for your use. Worthy submissions were made that were not funded. There are two things here. If you find that a trust has been breached, it is not surprising then that the cultural and recreational groups of the province would want to say to the government, "We want the guarantee." I think that is what you are saying.

I think the other thing that needs to be said to the government and to the public at large is that the cultural and sports groups are not saying, "We are opposed to money for hospitals." Indeed, the government can use up to two thirds of the funds for hospitals or roads. What the cultural and recreational groups are saying is, "Let us have a guarantee."

Surely, if I could direct the government members on the committee to address this question, if you are beating around the bush on the accumulated surplus, will you answer the question that 57 delegations have put to us at this stage: Will you guarantee a minimum of one third?

Mr Sola: I would just like to ask Mr Farnan a question. He says, "Take the money and put it in trust." Is he suggesting that the government borrow \$400 million to put in trust? If the money is not there, where is the money going to come from?

Mr Farnan: Okay, I will answer that question. If I take \$400 million from Mr Cureatz and I spend it, that money still belongs to Mr Cureatz.

Mr Sola: You are going to—

Mr Farnan: I have a responsibility to put it back. Now it is very simple—

Mr Sola: But you are asking me to pay it back.

Mr Farnan: No. General revenue, the consolidated fund, is a global fund. If you take \$400 million out of that that was designated in a matter of trust to sports and culture and you spend it somewhere else, in order to maintain your trust you must put that money back. If you do not put it back, in my book that is theft. In your book you can say that is the way government works. Maybe that is the way we differ.

Mr Sola: I would just like to say this. You cannot hold another person accountable for somebody else's deeds. That is what you are trying to do. We have inherited this situation. I am not trying to point fingers, but we have inherited this situation and we are trying to clear the books. I would like to get to—

Mr Farnan: Would you address the situation from 1985 to 1989? What about the accumulated surplus in that particular period?

Mr Sola: I am getting to that point right now. On page 4 of your



brief at the top you say, "If this government is committed to sports and recreation it will withdraw Bill 119 and maintain the act in its present form."

The act in its present form has allowed two governments to use the moneys that were collected from lotteries to build up an imaginary surplus of \$400 million upon which you are relying. Do you want this present situation to continue, that this imaginary surplus will go to \$1 billion or \$2 billion or whatever and not everything be allocated to the culture and recreation sectors? Or do you want something where the government is more accountable?

I see Bill 119 simply as a housekeeping bill, a bill that somebody with an accounting background would do in order to eliminate—

Mr Farnan: \$400 million.

Mr Sola: —asterisks in the financial statement of the government. I think this bill is trying to be straightforward, that in the future there will no longer be false expectations. The government will allocate certain moneys to culture and recreation and if anything is left over, it will be used specifically for this purpose so that we do not put in an artificial statement or an artificial figure on the financial statement saying, "\* Imaginary Surplus."

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The Chairman: I believe Mr Davis has the gist of your question. Perhaps he would like to answer.

Mr Davis: Yes. To us, it is not imaginary. To us the commitment that was made in the original bill and the commitment that is there today was that these funds would be available for sports, recreation and cultural activities. You are saying that this is an imaginary fund and that all you are doing is cleaning it up. Amendment 2 makes it very clear that there will not be anything imaginary about any fund in future. There will not be a fund in future. The amendment that is in Bill 119 is that every year, on 1 April, the money will be appropriated for the operation of hospitals in the province. That is very clear.

If we do not get the moneys, they are gone. If sports do not get the moneys, they will disappear. There will not be any imaginary money that you are talking about today. To us, it is not imaginary. To us, a commitment was made to the sports and recreation people, to hockey in particular. We took it that these moneys were going to be available; and in the lottery corporation books that they prepare they talk about the arenas, community centres and playing fields having been built with the aid of the lotteries; that the assistance goes for the hiring of qualified coaches and for seminars.

That is what we were told by the Ministry of Tourism and Recreation. When we met with them to talk about programs for hockey to make it a safer and better sport, we talked to them about the way we have to do that. We have to get money from the volunteers, from the parents, but we also receive funding, we thought, from the government, partially from these lottery funds.

If you are saying to me that those funds are now imaginary and all you are going to do is clear it up so there is nothing there imaginary about it, I guess from the standpoint of someone attempting to eliminate the funds for sports, that is true; there will not be anything there. But the commitment to us was that they would be there for the promotion and development of physical fitness and sports, and they are not there, they have not been there and we



Mr Sola: I cannot understand your line of reasoning. You are saying the funds are not there, they have not been there, you want a commitment, yet you are promoting a bill that has allowed that situation to occur. I think Bill 119 is trying to rectify the situation from the previous bill to where the government will be more accountable. The imaginary funds are not the funds that are coming in, but the funds that are supposedly surplus, that are supposedly left over, that you are relying on and that the government when it came to power and started looking for them could not find.

Mr Davis: We are not just talking about surplus. We are talking about the \$369 million.

Mr Sola: Well, that is the surplus.

Mr Davis: That is part of it.

Mr Sola: That is the surplus.

Mr Davis: We are also talking about the ongoing commitment from lottery funds which are not imaginary, which are there every year.

Mr Sola: That is there in clause 9(a).

Mr Davis: In Bill 119, those funds will disappear annually. We will never have to worry about any imaginary funds ever being there in the future or any funds being there because they will disappear.

The Chairman: I still have two more questioners, if you do not mind.

Mr Cureatz: I know time is running out, Mr Chairman. I would like to say to the group that, as my colleague Mr Farnan indicated, I think all of us, notwithstanding our political differences on the bill, appreciate the work that is being done in the hockey field. More particularly I am impressed, I guess, with your mention on your second page of your think tank in 1986 and, number one, with your goal of making hockey a safer game which, I think, for young people is very important. We appreciate your pursuing that avenue.

One quick question, and this is not a leading question at all, I say to my colleague from Brampton: Organizations have centred in on the one third and then my Liberal colleagues indicate that, "Well, in the past, the Conservative government did this, that and the other thing with the money and did not really reveal all the money that was there." I was wondering where you feel the one-third figure that everyone is bandying about might have come from.

Mr Davis: The one-third figure we are referring to comes from, I think, the Parks and Recreation Federation of Ontario brief, supported by other groups: the Ontario Municipal Recreation Association and Sport Ontario. For us, that is a minimal position. We would like to see the moneys go to what they were originally committed to. We seem to be drawn into some sort of a political battle here. That is not what we—

Mr Cureatz: Well, that is what this is all about.

Mr Davis: Maybe from your perspective.

Mr Cureatz: Yes, but not from yours.

Mr Davis: From our perspective, it is because we represent the kids



and the people who play hockey in this province. We are here to make a presentation on their behalf, and you gentlemen can do your thing in the legislative chambers. We appreciate the fact that you are from different parties.

Mr Faubert: —political? \_

Mr Davis: Well, Mr Faubert, I am just letting you know, sir, that we do have some—

Mr Faubert: You are just letting us know—we can read.

Mr Davis: Well, I hope so.

The Chairman: Mr Davis has the floor at the moment.

Mr Faubert: I don't have the floor.

Mr Davis: —that we are not in a position to get into any political infighting here at this thing. We are here representing our sport to the best of our ability, which many of us have done for a lot of years.

To answer your question on the one third, that is a minimum position from sports, certainly from our sport. We are here, I say again, to hope that Bill 119 will be withdrawn and that this government, no matter what happened in the past with other governments, will live up to or make another commitment, if you will, to sports and recreation in this province.

Mr Cureatz: One final question, a quick one. As the Hockey Development Centre for Ontario, what kind of numbers do you represent? Would that be many parents or all your hockey associations across the province?

Mr Davis: In our brief we talk about the 300,000 participants. You can look at that for—

Mr Cureatz: I guess 600,000 parents.

Mr Davis: You are looking at probably a couple hundred thousand minor hockey players, so that is at least 400,000 parents, probably.

Mr Callahan: Each one has two parents.

Mr Davis: That is right.

Mr Downs: Those figures do not include coaches, referees and the executive members of approximately 600 minor hockey associations across Ontario. They are not included in those figures.

Mr Cureatz: The thing is, I appreciate your group, you have a good visual impact, but when you think in terms of the number of people who are out there—I mean, if you saw that many people out on the front lawn of Queen's Park, it would be dramatic. We appreciate that.

Mr Davis: Mr Gardner just has something to say, Mr Chairman. Would you mind if Mr Gardner made a couple of comments? I ask the indulgence of the chair, please.

The Chairman: Certainly. Anybody can make a comment if he wishes if you are at the presenting table.



Mr Gardner: I will not take very long. I have been quite interested in listening to this. I have had only one experience in this room before, and I guess that was when Mr Martel was quite concerned about safety years ago. He did not like what I had to say.

What I had to say was basically that hockey, which we are all part of here in this group, was asked by government to make a commitment primarily with regard to safety, but these safety measures and all the other things that were encompassed with it required the expenditure of funds. We thought: "All right. We've got people working together. Let's work arm in arm with government instead of from an adversarial position."

We went on this route, and all of a sudden we are out on all these safety programs and now we are having to cancel them. We look like a bunch of idiots for supporting government safety programs.

The thing is here. Mr Davis has quite correctly explained a concern for the future of this situation as it goes down the road. We have an imminent need right now, and I am telling you, gentlemen and ladies, that the situation is not something that needs just lipservice. I am telling you for a fact of reality that it is a dangerous situation out there. Because of the lack of funding, because of the excessively high costs that parents and people have to raise right now, there are hundreds of kids out there, and especially in the more densely populated areas, who cannot play hockey today. They cannot play hockey because there is not enough ice or it is too expensive, and because of the situation we find ourselves in for co-operating in what we thought was a positive vein, hockey has become a sport or is becoming a sport that is being based on your ability to pay rather than your desire to play.

I will tell you right now that we have to do something about it. Hockey organizations are carrying on, and I do not know how they do it. I sit here with regard to seeing the largest metropolitan area in the country, and in 30 years the budget has gone from \$58,000 to \$1.4 million just to operate a league in which we have to pay for the game ice because the clubs cannot afford it. So, I think the point here is, getting back to it, we need the support.

With all due respect, we do not need excuses. I think the real purpose of the presentation here is to build up an assurance that there is not going to be a diversion of funds that the sport needs in a preventive way to keep the kids out of trouble, to keep them healthier and everything else. But please be assured of the fact that the situation is virtually desperate out there cost-wise right now and something is going to have to give. If it gives, it is going to give in terms of the sport, kids giving up and organizations not being able to carry on.

Without going any further, I am not speaking idle words. I am telling you there is a very deep concern out there and I really hope you give Mr Davis's presentation a considerable amount of attention.

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The Chairman: I think that is an excellent summary comment, with Mr Davis's concurrence. I would like to thank you very much for coming.

A brief supplementary, Mr Callahan.

Mr Callahan: I thought I was getting my equal time, but I guess it was eaten up in other areas.



It is nice, Mr Davis, to realize that you and other presenters understand what goes on in this committee in terms of the banter back and forth. Politically, I agree with you that the important thing is to hear from you people as deputants, except that I want to say one thing, and I want to reiterate something my colleague Mr Sola said. If the sum total of your 3 submission to us is that Bill 119 should be withdrawn, then I suggest to you with the greatest of respect that you may very well have come here and maybe could have spent the time more productively elsewhere.

I will tell you why. If this bill is withdrawn, the bill that continues to exist is the one that was passed by the former Conservative government. I want to read to you what the operative section of that bill did for you and every other major item in this province, as the fabric of this province, culture, recreation, sports and so on.

The Chairman: You are going to have to make your point, because we are out of time. 4

Mr Callahan: I am going to make my point if you give me an opportunity to. I am just going to read the section to the deputant.

I will not read all the words, but section 9 says "...to be available." It says nothing about a trust fund. I agree with you that the former government, when it issued Wintario tickets, had all these beautiful sports creatures on the tickets. So everybody, when they bought them assumed they were buying them to support sports. So I urge you not to take the position that Bill 119 be withdrawn, because under the present bill you have nothing. You are left with the same illusion that was created by the former government. That is all I have to say.

The Chairman: Thank you again, gentlemen, for your excellent presentation.

Mr Davis: I thank you for allowing us to appear this morning again. We will be awaiting the deliberation of this committee and watching very carefully what happens in the House when it finally gets to third reading, if that happens.

The Chairman: Our third presentation this morning is a double presentation. One half of it will be by the Tecumseth and West Gwillimbury Historical Society. That presentation will be by Allan Anderson, the president. The second part of the presentation will be by the Tottenham Concert Goers, and Barbara Bailie, an executive member of that group, will make that part of the presentation.

I am apprised that these two presentations may take most of the 30 minutes we have available, but if we have time left in the 30 minutes, we will have the questions at the end of both presentations.

TECUMSETH AND WEST GWILLIMBURY HISTORICAL SOCIETY/  
THE TOTTENHAM CONCERT GOERS

Mr Anderson: During the First World War, T. E. Lawrence said that Arabs were strung out like beads on a string. I have often thought this analogy holds for Canada as well.

I spent 30 years as a freelancer for the CBC in public affairs and travelled constantly throughout Canada, taping documentaries. In 1977, I

became an oral historian with the publication of Remembering the Farm, the first of four oral histories, and again crisscrossed the country year after year. My wife and I have edited three huge local histories.

I know, perhaps better than most Canadians, the loyalties of the people of this country. There is a deep, abiding love of Canada. We do not want to be anyone else. There is a sense of provincial affiliation which is much stronger in the Atlantic region and the west than it is in Ontario, but over and above all other attachments, there is in Canada a great sense of local identity which overwhelmingly is our strongest loyalty. We started as tiny gatherings of people in often isolated farms and hamlets strung like beads on a string across a vast and disparate nation.

As things go, 1910 is not that far back, and in 1910 half the people in this country lived on farms. We identify ourselves to a great extent as Canadians by the amplitude of our love of local identity.

I came to Tecumseth township in 1949 and bought a good 1920s farmhouse, an orchard and four and a quarter acres of beautiful land on a hilltop, all for \$6,000, which the Veterans' Land Act told me was far too much and they would only pay \$4,500. It was the best thing I ever did in my life.

Tecumseth township is about 30 miles northwest of Toronto and it is only 12 by 14 miles. It is an infinitely small patch of Canada, yet to the great majority of its approximately 7,000 residents, 70 per cent of whom are commuters by the way, it is the dearest patch of earth anywhere. The same holds true for the approximately 4,500 people in West Gwillimbury. In both townships, particularly today, with an ever-increasing awareness of our rural history, we find the Tecumseth and West Gwillimbury Historical Society most relevant indeed. What is local, whether present day or past history, is of great significance.

There is a parallel here too with the feelings of those who in the millions have come to this country since the end of the last war. They are strongly Canadian now, but they are also just as devoted to the culture of their ethnic background, whether they came from Italy, Greece, Poland or wherever. The province of Ontario has recognized this in its support for multicultural histories.

The native people of Canada, who have received nothing but the shabbiest treatment from whites over the centuries, are vehemently involved in the preservation of their cultures and the recognition of their past.

So what I want to stress is not the importance of regionalism in Canada, but a fragment of that, little local identity. A politician's riding is an amorphous mass; a township, on the other hand, is a solid, identifiable and cherishable fact.

So preserving the past has been the dedicated task of the Tecumseth and West Gwillimbury Historical Society since its inception in 1978, and the way you preserve the past is by getting out and doing just that.

My friend Pierre Berton coined a phrase quite some time ago which is a favourite of mine. He said, "History is too important to be left to the historians." When promoting my books in every province of the country, I have quoted that phrase during TV, radio and newspaper interviews. It is memorable, especially because it is true. Current historians, unlike the major historians of the past, are prone to turn out monographs on such arcane subjects as—and



I am making this up, but it is exactly what they do—the importance of the temperance movement in East Dumfries in 1872. What has that got to do with real life? Nothing. It is purely academic.

On the other hand, the Tecumseth and West Gwillimbury Historical Society, in the summer of 1981, with federal funding, hired four students to record grave markers in 18 cemeteries in Tecumseth township and 17 cemeteries in West Gwillimbury. In an issue of the Ontario Historical Society Bulletin, one of our members wrote: "The old tombstones, often in out-of-the-way cemeteries long closed, provided information to those searching family records and local history, and for social historians and demographers interested in life in the early communities and in the movements of peoples.

"The Tecumseth and West Gwillimbury Historical Society, aware of this and knowing how quickly time, weather, neglect and vandalism were eroding the inscriptions, and that some stones were even being removed from the cemeteries, determined to make a complete recording of the inscriptions on the monuments."

And so we did. The students who worked for us often had to poke the earth in the graveyards to find long-ago tombstones that had fallen over and been covered by grass.

This 340-page Cemetery Book has proven to be immensely popular. At this very moment it is being reprinted for the third time. Many people are very anxious to trace their ancestors and the Cemetery Book is a gold mine for them. We have sold it locally, but it has also been shipped to places in Canada such as Victoria, Calgary and Niagara Falls and to communities in Massachusetts and Indiana in the United States and so on.

Aided by funding during Ontario's bicentennial year, one of our members, Bernice Merrick Ellis, wrote or edited four fascinating pamphlets. The first was Pine Hill Farm, West Gwillimbury Township—A Typical Example of Immigration into Canada, 1819. The second was Life on the Old Plank Road, Highway 88. The plank road was built in 1851. It was the first surfaced road north of Toronto and carried coaches, riders on horseback and loads of grain from Bond Head to Bradford. The third pamphlet was The Diary of Daniel H. Rogers For The Year 1859. Rogers was a Quaker, whose journal is detailed and to the point. The fourth pamphlet was Travel Down a Storied Road, and it describes the old hamlets and landmarks on Highway 27 from Cookstown to Dunkerron and Highway 9. These four pamphlets made a vital and human contribution to our local history. The living history of the past vanishes very quickly if we neglect its invaluable documents.

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Many, many, many members of the society contributed in various ways to a massive history of Tecumseth township, which was published in 1984. After 16 months of dithering, the township council finally decided to go ahead with the book and hired my wife, Betty, and myself, both professional writers, as editors. Enthusiasm for the book grew as the work progressed. We ended up with 220 family histories, about 1,200 old photographs and a local history of 980 pages. If I do say so, it is one of the great Canadian local histories. There it is; it is a fantastic volume, I may say. It is a staggering and exciting compendium of the history of a small township. With my apologies to you, it is worth more than five years of Hansard any day in the week.

It was budgeted at \$36,000 and came in at \$96,000. The province, with

funds from Wintario, put a meagre \$2,000 into it, which I think was and is pathetic. The township council budget is small; 75 per cent of our taxes go for schools. So the council was all but ready to hang my wife and me when a miracle happened. Honda had come to our little township and the Japanese owners, in a once-in-a-lifetime gesture of communal goodwill and perhaps after a little persuasion, gave the township \$25,000 towards the publication of the book and guaranteed to buy 350 copies, a total contribution of \$40,000. That put Tecumseth Township: The Unforgettable Past in the black and saved the neck of my wife and myself, our collective necks. But this could not happen in most townships and this is exactly the kind of enterprise provincial moneys should fund, and substantially. The contribution towards an understanding of the past in this book is incalculable. If we do not know our heritage, we lose our identity.

It is totally wrong that cultural funding should come out of the same pot as does hospital funding. Politicians should have a hands-off relationship towards cultural funding. Cultural funding should have a guaranteed mandate with guaranteed funding increases and no politician, once that mandate is established, should be able to meddle with it in the least.

You will love me for this one: Politicians come and go and usually have more assorted weaknesses than they have strengths.

Mr. Faubert: That's true.

Mr. Laughren: He is a cruel man.

Mr. Anderson: Also, most governments usually represent a minority of the electorate, but the mainstream of culture flows on as long as a nation exists.

A major achievement of the society was the publication in 1987 of Forty Years in the Forest, Reminiscences From the Pen of a Backwoodsman, 1820 to 1868. Richard Rorke was a feisty and literate Irishman who came to Tecumseth township in 1820 to a wilderness of huge forests and vast swamps. His journal comes sparkingly off the pages and is the earliest major account of life in this province in pioneer times. It was edited by his granddaughter, Phyllis Knight Armstrong, and designed and illustrated by our own members.

Most years, in June, we also have very successful house tours attended by people from all over the place. Also, we put up historical plaques in various parts of the two townships.

In 1988, we received a prestigious award from The American Association for State and Local History, the only Ontario historical society, out of 100 societies, to be so honoured. From 1980 to 1988, inclusive, we received approximately \$7,500 in provincial funding, exclusive of a bicentennial grant of \$2,538. This is not a lot of money, not a lot of money at all. It should have been more, considering the outstanding track record of our society.

Let the hospitals have the lottery money. God knows they need it. Divorce sports, fitness and cultural funding from lottery funds. Big corporations and developers are getting away with fiscal murder in this country because of the efforts of foxy tax lawyers. Hordes of these companies pay no taxes whatsoever. We all know this but nothing is ever done about it. A specific tax should be levied on the profits of these big outfits, individuals and corporations, and enough money raised to fund sports, fitness and culture far more adequately than presently is the case.



Mrs. Baillie: On behalf of the Tottenham Concert Goers, I would like to say thank you for allowing us to speak our piece. We are a small organization of about 10 volunteers who organize and bring a wide assortment of musical artists to Tottenham. We are all very busy people with jobs, community and family commitments, who give our time to putting on professional concerts because there is a great need for them in our community. The need is evident by the response and enthusiasm shown by those who attend our concerts.

We could not have formed the Tottenham Concert Goers in 1984 without the guidance and support of the Ontario Arts Council. With its help, both financial and instructive, we have been able to bring well-known artists to our community such as Moe Koffman, Murray McLauchlan and, this year, John Allan Cameron. What we feel is even more important is the lesser known and unknown names we have brought to Tottenham such as Gloria Jean Nagy, a soprano soloist who will be appearing this season. Not only have we been able to encourage their talents by employing them, but we have introduced to our members artists and types of music they might otherwise never have been exposed to.

Through the many steps taken to produce a concert series each year, we also provide some of our local businesses with work. These involve the printers that print our programs and tickets, the newspapers that run our advertising campaigns and the restaurants that feed the members both before and after the concerts. We also offer to the executive a chance to stretch their talents and take on new challenges that they would not have had a chance to do in their everyday life. It is extremely satisfying to watch a concert series take shape and culminate in a successful concert season. The feedback and appreciation we get from our members make all the hard work worth the effort.

Over the past five seasons, our grant from the Ontario Arts Council has increased from \$2,000 to \$3,000 as the costs of production have increased. Without this increasing grant, we could not continue to function and still maintain our affordable ticket prices. We started in 1984 selling a three-program series ticket for \$25. Last year, the price had increased to only \$28. This year, we are offering four programs for \$30, a small increase for an extra concert. I reiterate that this would not be possible without the support of the Ontario Arts Council.

As one of the outlying villages near Toronto, Tottenham has a very high percentage of commuters. As traffic increases, more and more people are refusing to return to Toronto at night for their entertainment. The travel to Toronto is costly, parking fees exorbitant and entertainment charges far in excess of what most of our citizens feel they can afford. The Tottenham Concert Goers offers an alternative to the commuters, an excellent quality and choice of entertainment within the boundaries of their own community. We also provide entertainment to a growing number of senior citizens. Many of these people have neither the financial resources nor the means of transportation to enjoy the facilities in Toronto. They have no entertainment alternatives and so enjoy all the village can offer them.

We also provide an intimacy between the artist and the audience that cannot be attained in the larger auditoriums of Toronto. This intimacy is particularly apparent at our last concert of every season when we have a post-concert reception where the members, artists and executive can socialize over punch and home-baked goodies. We present an atmosphere that cannot be found in Toronto. This also has a beneficial side-effect. These cultural events act as a relief mechanism for our stressful lives, helping us to keep a

healthy mental outlook. In some small way, we help to keep life's events in perspective and contribute to a more relaxed and comfortable lifestyle.

There is a cliché that is appropriate here: An ounce of prevention is worth a pound of cure. I suppose in today's terms that should read a gram of prevention is worth a kilogram of cure, but something is lost in the translation.

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Now that I have explained to you who we are and our raison d'être, I must explain to you why we are vehemently against Bill 119. First of all, as the bill now reads, there are no percentages, proportions or guidelines to limit hospitals' share of the lottery take to assure us that our present and future needs will be met. In the past few years, sports, recreation and cultural organizations have seen real dollar spending eroded as the accumulated surplus of lottery funds grows. The cynics among us might suggest there is a government conspiracy to wean these organizations of subsidies so that the government can eventually use the funds raised through lotteries for other needs that it perceives are more pressing.

Mr Nixon says: "Trust me. Your allotments won't change." I have this to say to Mr Nixon: Trust is for the innocent and gullible. We are not that naïve. Historically, governments have proven themselves notoriously untrustworthy when it comes to putting their collective hand into the money pot. For example, there is the income tax that was introduced as a temporary measure during the First World War to help finance the war effort. We are all reminded every April how temporary this ever increasing tax is.

There is also the matter of the three per cent provincial sales tax introduced several years ago. This regressive tax has grown from three per cent to five per cent to seven per cent, and recently to eight per cent. We are also still paying the two cents per litre surcharge on gasoline originally put in place to finance the purchase of Fina by Petro-Canada, but long since fully paid for. Governments have shown us time and time again that once the hand goes into the pot, it does not come out except to take a larger chunk. I feel we have adequate cause not to trust Mr Nixon with our funds.

This is not to say that we begrudge the hospitals more funds with which to work. They are desperate for more money, but they are also insatiable in their need for it. As our society becomes older and more technologically sophisticated, they are faced with enormous problems of providing more and more costly services to an ever ageing population.

However, these services must not be met at the expense of sports, recreation and culture. It is precisely these activities that keep us mentally and physically fit and out of the hospitals. Therefore, to take from the lottery fund would at the least be counterproductive. To take from the lottery fund with no limits set would ultimately be the death of all that we have worked so hard to establish.

Our culture gives us our identity and defines who and what we are as Canadians. With the acquisition of our own Constitution, we have recently weaned ourselves of our British ties. Meanwhile, we are fighting very hard not to be enveloped by the United States into becoming the 51st state. Our culture, our identity is still too fragile to tinker with. The arts structure is particularly fragile, being very susceptible to economic downturns. During hard times, governments are more likely to delve into extra funds such as the lottery surplus to cover unemployment and make-work projects.



At the same time, corporations are tightening their belts. Sponsoring cultural events is often the first item to be slashed from budgets. It is especially during tough times that people need the benefits of cultural events. To sit down for an evening with friends and laugh and listen to an entertainment is the best tonic to escape the ravages of a recession.

In Beethoven's time, the onus for support of the arts lay with the wealthy. The structure of today's society has changed dramatically. Philanthropists are few and far between. Even corporate sponsors in a town such as Tottenham are rare. We have approached many businesses in our region, to come up only with a one-time donation of \$200.

The need for sponsors for everything from minor hockey to Scouts to the arts is so great in our area that potential sponsors must pick and choose who they will help. Unfortunately, there is not enough help to go around to everyone. We all depend to a greater or lesser degree on government assistance.

South Simcoe is a growth area. As Toronto housing prices and congestion increase and the general malaise of big city problems takes over Toronto, more and more people are escaping to the more tranquil life of a small town. This is producing an increased population which strains all the present resources for entertainment and recreation. Our needs are increasing at a time when general funding has been reduced. We must be assured that funding for sports, fitness and culture meets our present and future needs. As Bill 119 now stands, there is no such assurance.

Have there been any studies done on what the present and future needs are for sports, recreation and culture? What are the projected needs for hospitals? Have any alternatives for funding been suggested and seriously studied? This proposal by Mr Nixon appears to be a quick and easy grab for funds perceived to be available, but there must be a better way to help hospitals without altering the mandate of the Ontario Lottery Corporation Act.

One suggestion put forth to me was that the Ontario government place an appropriate surcharge on our income taxes to go exclusively to hospital operating expenses. Another suggestion was that an attractive lottery be set up and run by the province with all the proceeds to go to hospitals. At present, there are also the lotteries that do not fall under the mandate of the Ontario Lottery Corporation Act. The surplus from these lotteries could go to hospitals, leaving the lotteries that do fall within the mandate to meet their objectives. A little imagination, a little time and a few brainstorming sessions could result in a multitude of alternatives that would leave the Ontario Lottery Corporation Act unchanged.

The Ontario Arts Council has been a tremendous help to the Tottenham Concert Goers in our initial formation and in the continuing preparation of concerts. However, it is restricted by its own limited budget. If the Tottenham Concert Goers are to continue to supply concerts to the citizens of Tottenham and the surrounding district, we must have its moral and financial support to survive. To achieve this, Bill 119 must at least have distinct limits for hospital use or at best be scrapped and an alternative agreed upon.

The Chairman: Thank you very much. With the double presentation you have used all but a few minutes of your time. Perhaps I might exercise my prerogative as chair, which I rarely do, to comment myself on your excellent presentations.

It brought back a lot of fond memories. The first time I took a run at

politics was in Peel-Dufferin-Simcoe, and Tottenham and Tecumseth townships were two of the 14 municipalities in that riding at that particular time. I believe you are now represented by George McCague, the former mayor of Alliston. He was mayor of Alliston at the time I was in that part of the country. I was centred in Orangeville at the time as principal of the high school there.

Your comment with respect to it being the jewel of Ontario I found very pertinent. It is. Because I do not reside in that area any more, I have to say it is one of the jewels of Ontario. It certainly is a very nice part of the country and we appreciate your giving us a little bit of a different flavour with respect to your presentation of small town Ontario that we have not had from other presenters. I personally would like to thank you for your presentation.

Mr Laughren: On a point of something or other: I was flipping through the book and I think the legislative library, if it has not already done so, should purchase a copy. I loved the section on the Orange Lodge.

The Chairman: We have time for a brief comment or question from committee members. Are there any?

Mr Cureatz: Of course, I suggested to Mr Laughren that the committee should buy a copy of the book for the library, so he speaks up and pretends it is his idea, crafty politician that he is.

Mr Anderson: I used to cover the Legislature for the CBC and I—

Mr Fleet: You accuse us of theft.

Mr Cureatz: Anyway, we should do that, Mr Chairman.

The Chairman: I believe Mr Farnan wanted to make a brief comment as well. We have time for that because Mr Cureatz was so brief.

Mr Farnan: I suppose the question I want to ask you is, what do you expect from this committee?

Mrs Bailie: Just to hear us out.

Mr Farnan: To listen?

Mr Anderson: Well, as far as I am concerned, I would like to see a thorough reconsideration of the way in which money is obtained, as I said, separately for the hospitals because an enormous amount of money is needed by them and more and more will have to be grabbed from somewhere and a separate approach altogether considered. Certainly, there are many avenues you can explore. You do not have to squeeze it necessarily within Bill 119 because I think that will one way or the other only lead to defeat.

I think that as Barb suggested there have to be brainstorming sessions and there has to be some whole new approach to cultural funding. We can see what is happening on the part of the federal Tories to the CBC, the National Film Board and the Canada Council when politicians start fooling around with the arts. The arts just go down the blasted drain as fast as they can go.

Mr Farnan: Can I ask you, sir, the vast majority of groups including the alliance seem to have centred around the concept of a minimum of one third



to culture and recreation from the net lottery profits for the future. Is that a position you could live with?

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Mr Anderson: I could live with it, but it is not a condition that makes me infinitely happy because somehow or other, in the back of my head, I just have a feeling that in the future it could be tinkered with politically one way or the other if necessity arose. The feeling would begin to spread, "Well, we have to change this ratio somehow or other and knock the arts down to maybe 20 per cent, 18 per cent or what have you."

Mr Farnan: I think what you are saying is that you want even a greater guarantee than what the alliance is asking for.

Mr Anderson: Yes. I would like to see a guarantee such as was represented by the Canada Council when it was independent, and it is not now, any more than the National Film Board and the CBC are. I would like to see an independently funded body.

The Ontario Arts Council has, to the best of its ability, done a marvellous job. I would like to see the Ontario Arts Council really built up and financed properly so there would not only be sufficient but increased funding for the arts, and finance it however you like out of whatever kind of taxation, or whatever way you want to go after the money.

The Chairman: Thank you very much, Allan and Barb, for a very interesting and stimulating presentation. We appreciate it a great deal.

The Chairman: Our final presentation of this morning is on behalf of the Toronto Theatre Alliance. Jini Stolk, the executive director, and Vinetta Strombergs, the vice-president of that organization, are going to be making the presentation.

#### TORONTO THEATRE ALLIANCE

Ms Stolk: Good morning. Thank you for allowing us to speak here today. Vinetta and I are here representing Canada's largest performing arts community, the 130 professional theatre and dance companies that are located in Metropolitan Toronto. The Toronto Theatre Alliance, of which I am executive director, also has an additional 100 members, which includes theatre schools, freelance publicists, costume houses, music companies and theatre companies like the Shaw Festival and the Stratford Shakespearean Festival, which keep in touch with the Toronto community through membership in the TTA.

The alliance represents the full range of professional companies and organizations that together make Toronto the major international theatre centre which it is today. In Toronto, there are more than 50 theatre and dance performances each month on Toronto stages, and almost 3,000 people in the Metro area are directly employed in the live theatre community as actors, designers, writers, directors and administrators. Our community is easily comparable to any except New York and London as being one of the major, most important and largest in the world today.

Many TTA members, and even some members of the board of the TTA, have already appeared before the committee speaking on behalf of their own companies. I have heard or read some of their deputations and if I had not done so, I think the deputation that I am making here today might have been

quite different. My first thought, when I knew I had the opportunity to appear before the committee members, was that I would be arguing strongly for something that I believe in personally and very strongly, that the arts are an indispensable component of life in Toronto, that they bring pleasure, enrichment, challenge and meaning to many people's lives.

I want the committee to be aware of exactly how many people's lives are touched by theatre and dance. In 1986, according to a survey that Environics Research Group did for the city of Toronto's task force on arts and tourism, over six million tickets were sold to theatre, dance and opera performances in Toronto. Fifty-four per cent of Metro residents had attended at least one play or musical in downtown Toronto in the year before the study was done. For residents of the city of Toronto, that figure rose to 67 per cent.

As Walter Pitman, who is director of the Ontario Institute for Studies in Education, has said, "The performing and visual arts represent the most intense, ongoing, accessible and, I think, meaningful form of continuing education that one can find in our society." I believe he is absolutely right with that.

I believe also that the arts are an essential part of any humane society which is concerned with the total well-being of its people and that the arts have another equally crucial role, that of directly addressing all the other fears, problems and concerns that are held by people within society. In the past year and a half on Toronto's stages we have seen plays dealing with the plague of AIDS, we have seen a play dealing with living in the nuclear age and with the potential of world destruction, we have seen a play depicting the true story of a gay theatre teacher who was beaten to death in High Park in Toronto by a group of high school boys and we have seen more than one play dealing with the problems of native Canadians divorced from their previous traditions and trying to make their way in a new world, which is in many ways hostile to their old traditions and their old beliefs. The list is endless, it goes beyond those scenes. Practically every concern which is felt and dealt with by the government on a day to day basis is dealt with also on the stages of theatre companies in Toronto.

I think that theatre helps us all to examine and come to terms with the overwhelming conflicts and contradictions of living when and where we do now. However, this has been said before by other people who have appeared before you much more eloquently than I can say it. So what I want to do with some of the time that remains to me is to try to provide to the committee some insights from my own practical experience as director of the Toronto Theatre Alliance, which is representative of more than 130 performing companies which use the lottery funds and the programs on a regular basis, some insight into how those lottery funding programs work, how they meet or do not meet the needs of the arts community.

First, I have to start off by saying that these programs have been absolutely invaluable to the theatre community of Toronto. I think that everyone in the city, artists, theatre companies and audiences, would have gained by programs like the ones which have allowed Factory Theatre, the Berkeley Street Theatre, the du Maurier Theatre and Equity Showcase Theatre, among others, to carry out extensive and much needed renovations of their spaces. Many companies, from the very small to the largest, in Toronto have used lottery funding to purchase lighting equipment, up-to-date sound equipment, theatre seating, all the many technical requirements of producing professional stage shows; all of the very expensive technical requirements to producing professional stage shows, I might add.



Many companies in town have bought computer equipment, thanks to the programs of the ministry and the federal Department of Communications. Companies have been able to upgrade their printed and promotional materials in response to a great deal of urging by all levels of government to promote ourselves better, to market ourselves better, and to present ourselves professionally. Companies have been able to do that and a lot of the credit there belongs to the ministry programs funded by the lotteries. Companies have been able to enhance their management and board skills and to train their staff, thanks to the ministry's programs.

In fact, I believe that these programs should take at least some of the credit for the fact that theatre in this province has taken such an enormous leap in the past 15 years and now stands proudly and is acknowledged internationally on the world stage. That has been recent, it has been within the past 15 years and I think the kinds of programs that the lotteries have funded, which have been for special projects, special needs, special one time only types of equipment needs, have been absolutely crucial for allowing companies to make the growth that they have over the past 15 years.

Yet, I still believe that it is not possible to measure the success or the failure of the programs just by looking at the list of grants which were made, nor is it even possible to do that by looking at the list of applications which were denied throughout the years. The fact is that the lottery programs, because they have always depended on budgets which were less than those required and, in most cases, less than those requested, have always dealt with budgets which have been less than the amount that has been available to the arts, sports and fitness communities through the legislation.

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The programs have always tended to be narrowly defined and to be not available or useful to all of the deserving companies. Not all companies can meet the criteria for the programs that currently exist under the ministry's lottery programs. All these programs ask for matching funds. In most cases, they will provide up to a maximum of 50 per cent of the full cost of the program, but there is usually a limit set to that and sometimes the limit is \$5,000 or \$10,000.

First of all, it is not always easy, in fact sometimes it is very difficult, for small companies who are innovative, who are experimental and who are the very, very basic building blocks of the community as a whole, to find the matching funds for the purchase of things as basic and as crucial as new seats for a small theatre or a new lighting board which allows them to do a little bit more than focus one simple light on stage.

It is impossible for people who work within those companies, who are the new generation of theatre artists, who are the people who will become the Robin Phillippses and the John Hirsches of the future, to work without that kind of basic equipment, but the lottery funding, which is the only place that those companies can go to get that kind of equipment, is often not suitable and is not a place where they can go to get that kind of money that they need.

The grant maximums are also fixed and in many cases the grant maximums for the different types of programs within the lottery funds have decreased through the years. If a sound system costs \$20,000 and the ministry's program only makes a maximum of \$5,000 available, as it does, for a purchase of this sort, there is no guarantee at all that that sound system will ever be purchased because it is very difficult to find the rest of the money that is

needed, especially, as I said before, for the small companies who, I believe, are absolutely crucial to the continued health of the theatre community in Toronto.

Even in cases where a company is able to meet the criteria for a grant and is able to find matching funds for its projects, the programs as they are now defined still often fall very short of the needs of the community. The criteria have continuously narrowed over the years. I am going to use an example with my own company, which I am very familiar with. It is not unique. In fact, I think it is typical of the type of problems that arts groups in general have had in going to the ministry and going to those lottery funds and finding that, in fact, they are inadequate for current pressing needs.

In the case of the Toronto Theatre Alliance, three years ago we received a generous grant of \$25,000 under a ministry program which was called the organizational development program. We had to match that amount, which we did, largely through private donations, and we received \$25,000 from a variety of private sources which we used with the ministry money to completely revamp all of our printed and promotional materials, and to launch a number of very new programs. One was an extremely effective and popular publication which we produced called Summer Nights in Toronto Theatres, which is still being published and has become over the years invaluable to people in the hotel industry and in the tourism industry widely. They use it to promote theatre and to answer the many questions of visitors to our town who are interested in theatre and who previously had no good source of information about what was playing or how to go there, how to buy tickets and where the theatres were located.

We also used that original money to launch a program which I am very proud of, which is an audience development project for Toronto's 55 small theatre companies called the Small Card. It still exists and it has been very important in developing a committed audience for those small companies which allows them to count on a box office revenue which will enable them to continue producing, to continue developing new playwrights, new designers, new directors and new actors.

In fact, I credit that grant with enabling the Toronto Theatre Alliance to change from an organization which three or four years ago still had the look of being a small and struggling alliance to one which is clearly now able to represent fully and well a theatre community of the outstanding calibre and reputation of Toronto's.

Since then we have developed another major program of tourism marketing which has become extremely important to Toronto as the theatre community has taken its place on the world stage and as productions like The Phantom of the Opera have developed an enormous amount of international interest in what is happening in Toronto's theatre community. The Toronto Theatre Alliance feels it is extremely important not to allow all of the attention to be focused only on Phantom, which is a fine production, but it exists in a city which has 130 other professional theatre companies which are doing excellent work and which are doing work developed by Canadian writers and work that is more indigenously Canadian in its nature.

We have developed the tourism project and it has been going for a year. We feel very strongly that it is the time in the life of this program to heavily promote and advertise Toronto as a theatre centre. We have been doing it in other ways, but we have not had the money so far. We have been doing it in ways which are extensive and include providing information to travel trade



operators across North America who now phone us on a much more than daily basis to get the information they need when they are bringing groups of visitors into the city who want to go to theatre. We decided it was time to move on to another step and to heavily advertise and promote the city, which we think is important, and we think the time to do so is right now.

When I went back to the ministry to discuss this idea with them, I found that the program which we originally applied for and which had originally allowed us the money to do what I had described before has been indefinitely suspended. It has been replaced, or somewhat replaced, by another program which is called resources materials which is quite different. It has a maximum grant not of \$25,000 but of \$5,000. Frankly, I do not now know where we are going to be able to make up that difference. We are certainly going to continue to look, but the ministry which was there for us through these programs only three years ago is no longer there for us.

According to sources within the ministry, the reasons are budget restraints. They do not get from the Treasury what they ask for and what they need. One person within the ministry said to me that the program had been too successful. It had cost too much money. They had to cancel it. Another source within the ministry told me that the analysis there had been that most of the groups that needed funding of that sort had already received grants and did not need that kind of money any more.

The Toronto Theatre Alliance is involved in a community which is changing and which is growing, and grants which help the community develop in very crucial ways are not one-time-only grants, not if the community is growing at the rate at which the Toronto theatre community is growing.

Another instance where I have heard the ministry talk about a program which was too successful to continue, which I still regret to this day, is the half-back program. It was enormously successful. It completely tied together the lotteries and the organizations which the lotteries were meant to fund and to benefit: arts and culture. It allowed a whole range of people who had not had the opportunity to participate in arts or cultural events before to do so, because 50 per cent of the cost of their tickets or a book was returned to them directly through the lottery profits. It was also a program which was most heavily used by schoolchildren. Schools across the province collected lottery tickets and used those tickets to buy books for their libraries, to send classes en masse to theatre programs. It was a wonderful program and it was cancelled because it was too successful; it was costing too much. There was the money, because we know that a lot of the revenues from the lotteries were never used for culture or sports and fitness, but those moneys were not made available to continue a program which was enormously successful and innovative and which I think could have set the way for a province which would have been acknowledged throughout the world as being uniquely innovative in its approach to bringing young children to the arts.

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I think you know from listening to other deputations that the Toronto theatre community has been undergoing a very difficult and frightening year. Within the past year, we have almost lost Factory Theatre, a theatre company which has developed George F. Walker, one of the major international playwrights working today. We almost lost in that year Théâtre Français de Toronto, the only French-language theatre company which exists in the city of Toronto. There are the needs of those companies; there are many more needs which are crucial coming up now or in the very near future.

The Theatre Centre, which provides a home for the 55 small theatre companies in Toronto, needs to purchase and renovate a home for itself. We hope to revive Toronto Workshop Productions, which was the second professional theatre company in the city of Toronto. We need new marketing programs for small theatres so they will not be completely overwhelmed by the phenomena of the phantoms of the opera, so that they will continue to thrive and flourish. We need to develop new audiences, to work with ethnic communities across Toronto, to develop those communities as audiences and to help those communities develop playwrights and actors who will represent their own concerns on the stages of Toronto's theatres. It is absolutely crucially important as this city is undergoing the types of demographic changes it is undergoing right now.

For those reasons, we at the Toronto Theatre Alliance strongly support the two recommendations of the umbrella group alliance. We feel that the arts particularly need to have a guaranteed continued access to the lottery funds for special projects, for projects which are not ongoing or operating in their nature but are special and which are nevertheless crucial.

We need to have a trust fund set up from the unused surplus funds to provide sustaining support to the arts. I would hope that those sustaining funds go through the Ontario Arts Council and be used to answer its need for more grants for operating funds for the groups which currently exist in Ontario. I think it is very important. Just because the previous government withdrew from an obligation to the citizens of the province which was both legal and moral, I do not think is any good reason for the current government to back out of attempting to right that wrong. I think it was a wrong.

We look at it as something quite different from a bookkeeping question. It is not a bookkeeping question. We are very practical. We know that the money from the surplus is not sitting tidily waiting for us in a bank account somewhere. Nevertheless, the question is one of a commitment. This is the time, as this issue is coming up now for discussion, to openly air it for the present government. We hope to make a commitment to increase the funding to the arts and to answer the needs of the Ontario Arts Council for increased funding. If the fiction of a trust fund is too much fiction to be put forward seriously, that is fine; it does not need to be done that way, but I would like the government at this point to make a commitment of an additional \$30 million or \$40 million to the budget of the Ontario Arts Council. They need that money, the arts need the money and the audiences in the province, six million of them from Metropolitan Toronto alone, need that money. Thank you.

Mr Cureatz: That was great; right off the cuff.

The Chairman: Thank you very much. We have a few minutes for questions. Mr Farnan has indicated he would like to comment or question.

Mr Farnan: As Mr Cureatz said, it is a wonderful presentation and I hope they are paying you a terrific salary.

Ms Stolk: They are not. I could make a lot more elsewhere.

Mr Farnan: I suppose it is a labour of love as well.

Ms Stolk: That it is.

Mr Farnan: There is no question of the enrichment of our lives from the theatre, the arts and culture. In my own community of Cambridge, with our



little theatre, I think it is some of the highlights of the year just to go along, enjoy a play, get out of the humdrum of daily living and experience all kinds of different areas of life through the theatre. It is obviously a quality and segment of our wellbeing that requires funding from the province.

I said to a group yesterday that we are going to go on for another, I think, five or six days of hearings. We probably have heard all of the arguments that we are going to hear; not to say that delegations will come forward and describe in their own unique way how it affects their situation and contribute, I think, to reinforce everything that has been said before.

I think we are at a stage now where we know what is at stake. The real question of what is at stake—I really do not want this put in a partisan way; I say this in a truly nonpartisan way—are the amendments that have been put forward by the alliance and by all of the 58 or 59 groups that have come forward.

I think both of the opposition parties, having looked at the situation and looked at the presentations, have come to the conclusion that yes, there is a need for a guarantee for culture and the arts and if collectively—let's put it collectively—we have not responded to that trust, what the people in arts and culture are saying is, "Okay, now there is another opportunity to make that commitment."

I think your appeal is to the Liberal members of the government. I think the appeal of all of the groups can be summed up in two words, which would be, please listen. I think that is where we are at. I think we have heard the arguments. I have not had one shred of evidence in almost two weeks that there is any flexibility on the part of the government members of this committee. I am waiting and I am hoping to see some evidence that someone will say: "You know, the arts and culture, sports and recreation, I think I can understand their concern. I can understand why they feel uneasy or edgy; why they feel their funds might be eroded."

Mr Callahan: I said that several times.

Mr Farnan: I can see where the reality of the matter is we now have an opportunity to make a new covenant. Let's put it in biblical terms. The opportunity is here for us to make a new covenant with culture and the arts.

Mr Cureatz: With your amendments.

Mr Farnan: And a minimum covenant, I would add, in the sense that I think you are being extraordinarily reasonable in your request. By asking for a minimum of one third, you are saying to the government, "If you wish, you can use all these additional funds for what you want designated to hospitals but, on the other hand, please give us the guarantee that was there in 1974, which we would like to renew in 1989 and let's work co-operatively. Let's not go into the future with culture and the arts at odds with the government. Let's work together to make Ontario a better and healthier society."

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Ms Stolk: I hope you are wrong on one point, in any case, that the Liberal government is not listening. We hope that the Liberal government is listening. We know that if we want any changes in this legislation or achieve increased funding to the Ontario Arts Council, we have to make our point persuasively to the government. We are trying to do that.

In fact, these hearings have been extremely important for the arts and culture community. They have been extremely important for the Toronto theatre community, which I think has needed to talk to the government for the past couple of years. They have been in a time of great need and some distress and they have needed a direct way to talk to members of the Legislature about our needs, about our current situation and about all that we have built in this province, which we see every time we open the paper and look around. You have to notice that theatre in Toronto has become a major force. It has become something which has put Ontario in the forefront of the international community. It is important to every other activity and priority of the province; I am convinced of that entirely.

We really have welcomed this opportunity to say to the government, what has been started has to be continued. Times are different now; things have become more expensive. We do need more funding through the Ontario Arts Council, through the lottery programs. Whatever way the government can come across the additional money that the Ontario Arts Council needs, whether it is through that surplus, which does not exist except on paper, or whether it is through a direct commitment, a new commitment to the arts and culture, we, of course, do not care. In fact, we would prefer the direct commitment. It would be more gratifying and it would probably be more admired by the people of Ontario.

The Chairman: A final brief comment by Mr Cordiano.

Mr Cureatz: Good. Here we go. He'll set the record straight.

Mr Cordiano: I have sat here patiently and quietly over the last number of days, but I have just had my fill. I have to—

Mr Cureatz: The amendment is now coming forward.

Ms Stolk: Is it me?

Mr Cordiano: No, no. I am not referring to our witnesses, because it is always a pleasure to hear what good theatre is taking place in Toronto. I am certainly respectful of that and very much a fan of theatre in Toronto.

What I do have to say is this: I do not think there are any ironclad guarantees, nor was there an ironclad guarantee in the previous bill, to tell you the honest truth.

Ms Stolk: It's a bit more moral than ironclad, as it turns out.

Mr Cordiano: I think if you look at the legislation, section 9 is very vague. I mean, the government of the day could have directed any amount of money under section 9, as it saw fit. Therefore, it was at the whim of the government to determine that. The revenues from the lottery corporation had to be placed into the consolidated revenue fund, but at their discretion and to be used, of course, for recreational purposes and for culture.

What we are saying here is that these funds will still be made available. In addition to recreation and fitness, we have added the Ontario Trillium Foundation, in addition to resources to be used for hospitals. What I am saying to you is that I do not think much of this changes in the sense that you have a situation where the amount of money that is available for culture and the arts will continue to be available if the need is there—and of course the need is there.



Mr Farnan: Trust us.

Mr Cordiano: No, I am not saying, "Trust us." I am saying that there is no such thing as a sacred trust in government. It is only there because---

Mr Cureatz: I think I'll quote that.

Mr Cordiano: Just a minute. To use a famous line, there is no such thing as a sacred trust. It all depend on the citizens of the province. That is how democracy works. The government of the day makes its decisions based on what it feels are the needs and priorities of its citizens. Becoming a process of real democracy, it means that members of the Legislature will vote on that, representing various parts of the province, and obviously you are going to have a recognition of those needs. What I am saying is that never changes. There is no such thing as a sacred trust, there never will be as far as I am concerned, and you cannot put it in legislation.

So this hullabaloo about putting in a minimum guarantee I do not think will ever be the case for anything in terms of any kind of funding the government will put forward. The only thing we are guaranteed is that we have tax bills and those are put in legislation because they have to be.

Mr Laughren: Why are you putting hospitals into the legislation?

Mr Cordiano: We are putting hospitals in for additional revenues. Hospitals may be funded from this amount of money. It does not mean that there is a certain number of dollars that will be spent every year, and that is what I think is the difference.

The Chairman: Could we allow the presenter to have a final comment, please?

Mr Cordiano: I wanted to finish what I had to say.

The Chairman: You finished about three times, in the opinion of the chair. Jini, my apologies.

Ms Stolk: I just wanted to say that if the need for a guarantee cannot be met through legislation, then I would hope the government would look for another method to guarantee those needs; for instance, through an immediate increase to the budget of the Ontario Arts Council which at least, once it has been established, establishes something which is very hard to pull back from.

The other fact I wanted to mention is that the needs have not been met through the current legislation or through the current programs. They are not being met, and the thought or the threat that even a small percentage of that money that has been ours, which has already been inadequate, would be withdrawn from the arts community is the reason why you have been holding these hearings and the reason why so many of us have been so enormously upset by the thought of this legislation. Even small percentages taken away from current budgets, which are already falling behind the cost of inflation, is a cause for enormous alarm.

That is why we are here. That is why this issue has arisen over the lottery legislation. In a time of more prosperity for the arts, perhaps we could have accepted what looks like perhaps a technical change to the legislation, but it is not a technical change, it does not appear that way to

us. It is a change that says the government, which has not been giving us what we have to have to continue, is now making it possible to give us even less, and that is very scary.

Mr Cordiano: There is always a constant process of assessing what the government feels are its priorities and what you will feel are your priorities.

Ms Stolk: Always.

Mr Cordiano: Notwithstanding all of that, there is always going to be a reassessment as we go along, and the opposition will constantly say what it has to say. All I am saying to you is that this process is the process of democracy and I think it will never change. I agree with you, the arts are probably underfunded—

Interjections.

The Chairman: I would like to have a final word here by way of thanking you sincerely for coming to the committee. I think the best accolade I can pay you is that I think you have a fan in Mr Cureatz, who tends to be one of our sterling performers in the House. He comes to the committee without his usual props this morning, but he is quite an actor himself, so the fact that he is impressed means that your presentation must have been very good. Thank you very much for coming to the committee.

Ms Stolk: Vinetta does have something to say. Is there time for that?

The Chairman: I am sorry, we are already 15 minutes over the time, so I am going to have to cut you off.

Ms Strombergs: Can I just bring one thing to your attention? I think this is really important, because you are talking about a commitment to culture. There is a wonderful book called Commitment to Culture, which was a study done in the United States but I think it bears a lot of relevance to the situation here. It was done in the early 1960s, looking at the situation of patronage and funding there, and it compares that to the situation in Europe, where there is far greater funding, and it crosses the boundaries of political situations, changing from monarchies to republics, and it goes from antiquity. It is called Commitment to Culture, by Frederick Dorian.

The Chairman: If I may, I would submit that the researcher will get all the information and make it available to the committee. I appreciate that a great deal.

I would like to notify the committee before we adjourn for this morning that Barry Silver and Chief Nora Bothwell from the Union of Ontario Indians have cancelled for the two o'clock hearing. That is one of the reasons I went substantially over our time in this last presentation, which I usually do not do. Our meeting this afternoon will begin at 2:30 instead of two o'clock. Unless there is any further comment, I would like to adjourn until that time.

The committee recessed at 1221.





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STANDING COMMITTEE ON GENERAL GOVERNMENT

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989

WEDNESDAY 20 SEPTEMBER 1989

Afternoon Sitting





STANDING COMMITTEE ON GENERAL GOVERNMENT

CHAIRMAN: Elliot, R. Walter (Halton North L)  
VICE-CHAIRMAN: Faubert, Frank (Scarborough-Ellesmere L)  
Bryden, Marion (Beaches-Woodbine NDP)  
Callahan, Robert V. (Brampton South L)  
Charlton, Brian A. (Hamilton Mountain NDP)  
Cordiano, Joseph (Lawrence L)  
Cureatz, Sam L. (Durham East PC)  
Fleet, David (High Park-Swansea L)  
McLean, Allan K. (Simcoe East PC)  
Ruprecht, Tony (Parkdale L)  
Sola, John (Mississauga East L)

Substitutions:

Farnan, Michael (Cambridge NDP) for Ms Bryden  
Laughren, Floyd (Nickel Belt NDP) for Mr Charlton  
Marland, Margaret (Mississauga South PC) for Mr McLean  
Reycraft, Douglas R. (Middlesex L) for Mr Ruprecht

Clerk: Carrozza, Franco  
Clerk pro tem: Mellor, Lynn

Staff:

Anderson, Anne, Research Officer, Legislative Research Service

Witnesses:

From the City of Brampton:

Gordon, Donald, Commissioner of Community Services

From the Ontario Museum Association:

May, Margaret, Vice-President

From the Older Adult Centres Association of Ontario:

Shulman, Rhea, Member, Board of Directors

From the Region of York:

Haist, Doris, Director of Recreation, Town of Vaughan  
Wrigglesworth, Brian, Director of Parks and Recreation, Town of Markham  
Friedberg, Linton, Commissioner, Parks and Recreation, Town of Richmond Hill  
Lohuis, John, Director of Leisure Services, Town of Aurora

From the Toronto Group—Women Active in Fitness, Sport and Recreation:  
Marsden, Shirley, Chairman; Executive Vice-President, Sports Federation  
of Canada

Le Clair, Jill, Secretary; Teaching Master, Humber College

LEGISLATIVE ASSEMBLY OF ONTARIO  
STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday 20 September 1989

The committee resumed at 1432 in room 151.

ONTARIO LOTTERY CORPORATION ACT, 1989  
(continued)

Consideration of Bill 119, An Act to Amend the Ontario Lottery Corporation Act.

The Chairman: The chair recognizes a quorum. Our first presentation is from the corporation of the city of Brampton. This delegation is led by Donald Gordon, the commissioner of community services. At the presenters' table as well, Councillor Peter Robertson is with us, Councillor Rhoda Begley and Alderman Alan Gibson. Welcome, all of you.

I would like to call on Mr Callahan, one of the two members from Brampton, to make a very brief introductory remark.

Mr Callahan: I thought before Don assailed you, I would tell you that we have one of the finest parks and recreation programs, I think, in the world. I think a good deal of it is due to the foresight of the city and also the leadership of Don Gordon. I wanted to say that beforehand, and you will see a little of it on the slide presentation. When it comes time for asking questions I would like to have a crack at it, as I am sure all the other people will.

The Chairman: The half-hour set aside is yours to use as you see fit, Mr Gordon, if you would like to proceed.

CITY OF BRAMPTON

Mr Gordon: Prior to proceeding, I just wanted to indicate to the committee that we have in the audience today several volunteer citizens who are involved in parks and recreation in various sports, some staff members and other citizens interested in this subject matter. I think when we speak you will appreciate that there is more than the spokesman saying these words. I would also like to introduce the chief administrative officer: Al Solski is at the back of the room.

We would like to thank you for allowing us the opportunity of making this presentation regarding Bill 119 on behalf of the city of Brampton. The city council of Brampton passed a resolution on 18 July 1988 supporting the city of Toronto resolution, which, as you know, opposed Bill 119, and our resolution further directed that we appear before you.

Even though our presentation represents the opinions of the city of Brampton, we are confident that our concerns and recommendations would be supported by the majority of municipalities in Ontario and the thousands of volunteer recreation, arts and sports organizations who provide such an essential service to the citizens of Ontario.



At the outset I must convey to the committee that we are extremely disappointed that our provincial government is proposing and appears determined, on this second occasion—Bill 38 being the first attempt—to reduce legislated provincial support that is the only available funding for recreation capital and conservation projects. Elected and appointed people at the municipal level are in daily contact with the grass-roots citizens who live in our province. We believe our comments to you today are representative of their feelings.

We would submit to you that recreation in its broadest sense provides more benefits to people than any other service at the local or provincial level. In this regard, recreation warrants your maximum support from the provincial government.

I have a brief slide presentation, Mr. Chairman—I would like your committee to bear with me—just to illustrate some of the components of recreation.

I will be telling you later that we start at the very young, and I thought it was appropriate to show you one of our earliest participants. The playground demands are that residents want playgrounds within a maximum of 400 metres of where they live. This costs money.

Soccer is an import from the various ethnic groups that have come to our province and our community. I can tell you that the participation in soccer alone, along with the parental participation, is phenomenal. Soccer fields cost money.

Swimming pools: One of the most popular activities, according to any survey that has ever been conducted, is swimming. The cost to provide facilities like this and operate them is significant.

These are two children, who, in our day camp program, get into the heritage of our province—the costumes denote that—in their play periods.

Bicycle trails for all ages: Brampton has approximately 100 kilometres of bicycle trails which have to be constructed and maintained. One of the most dramatic explosions in our province and in fact in our country is the participation in ball, as we know it, be it softball or baseball. I do not know whether it is the Blue Jays' fault or what, but the greatest explosion is among young adults in the 20- to 40-year range in games derivative of softball, like slo-pitch, three-pitch and this type of thing. The demand now has placed the city of Brampton in the position where we have a deficit today of 59 ball diamonds, because we cannot accommodate, because of lack of either finances or land, the demand for softball by adult people.

Aquatic activities: This is our famous Professors Lake that the city developed out of an old quarry pit, a 65-acre lake with beautiful water, very deep. There is fishing, sailing, canoeing, a recreation facility and a public beach. Again, these do not come without cost.

1440

We believe in Brampton, like many municipalities, that the out-of-doors is where people want to be to enjoy nature and that type of thing. We have thousands of young people participating in day camps, as you see here, and every Thursday night mom and dad are out, and some of them sleep overnight with them. We put this down as family opportunities and potential for family unity, which has to be a concern of all of us.

People get involved in orienteering, and finding out what nature is all about by dissecting bugs, if you will, or at least finding out how they operate.

Drama and arts have a big role to play in any community.

Free play: Just being out in open spaces and doing the things that you and I like to do; I am not dating anyone here today, Mr Chairman.

I pause there, because I am sure you are aware that there are hundreds of thousands of people from all lands within our globe moving. I will be saying this again, but I say it now to this committee: The provision of recreation facilities and programs is the greatest single factor that allows people to integrate with one another and to appreciate each other. We do not promote segregation in Brampton. Our volunteers will attest to the fact that there is every nationality participating in every type of sport or art or function within the city.

This is leadership training. The city of Brampton employs—apart from volunteers, of whom there are 15,000 to 20,000 who give of their time free of charge—over 800 part-time people. We are one of the largest employers in the city of Brampton. This is leadership training for our young people. This type of training will make them good citizens in the future, and this kind of participation assists them to mature and go into adult life.

We even have animal farms in Brampton, because we are a combined urban and rural area, much like many of our neighbours. Our animal farm attracts students daily throughout the year, because that is part of our heritage and it is important to us that they know where their food comes from and what function agriculture performs within the community.

Our handicapped people are out of the closet for the first time in the last five years because of the availability of facilities, due in large part to some of the previous assistance provided by government which gave us 100 per cent funding—it no longer does—for any improvements so that there is total accessibility to facilities.

We have people with mental difficulties, and their lives are made more worth while.

There is a place in the sun for our youth.

We in the city of Brampton believe that we have a large investment to make in our future and the future of our children. We must recognize that recreation is significant to every segment of the population. Recreation involves all age groups, from the preschool child to the elderly citizen. It provides opportunities for teenaged boys and girls to release their energies in a positive way, for disabled people who are finding a new meaning of life through recreation, and for the family whose life is enriched when its leisure hours are filled with meaningful pursuits.

Recreation at the local level is essential to the very fabric of the community and the quality of life that citizens strive to achieve.

The provincial government supports the importance of recreation through the community recreation policy statement, which was endorsed by the government in February 1987. In this document the government states: "As we approach the 21st century, the role of provincial government in community



recreation remains crucial. The provincial government must continue to assist municipalities to respond adequately to the needs of their constituents." The policy further states: "Recreation viewed as a social service like education or health falls within the constitutional responsibility of the provinces and territories."

We agree with these statements. Every municipality in Ontario does. But these statements could lead one to believe that our government places an extremely high priority on the provision of recreation programs and facilities in our province, and yet this has not been the case over the past four years when one considers that municipalities and organizations have had hundreds of eligible grant applications refused on the basis that "insufficient funds were allocated" for the purpose of new capital projects or conservation projects.

This government policy is extremely disturbing and questionable when one considers that there have been sufficient profits from lotteries each year that could have and should have, under the legislation we have today, been allocated to all eligible grant applications submitted by municipalities and organizations.

To give you an example, during the four-year period from 1986 to 1989, the city of Brampton submitted grant applications for new capital and conservation projects, which were deemed to be eligible under the act, in the amount of \$4,977,000. In that four-year period grants were approved by the province in the amount of \$1,536,000.

Brampton therefore received 30.9 per cent of eligible funding and was denied an amount of \$3,441,000 when in fact the province was withholding lottery profits which we believe are now in excess of some \$1 billion, according to the information received from the region of Peel.

In our opinion this does not represent assistance to municipalities to respond adequately to the needs of their constituents, as enunciated in the government's policy statement.

1450

Another example of apparent diminishing support for recreation by the government is the fact that for the past three years, the Ministry of Tourism and Recreation has been allocated \$15 million from lottery funds for new capital projects for the entire province of Ontario and some 10 million citizens. This represents less than one third of the funding applied for by municipalities and organizations.

In 1989, the city of Brampton, with a population of only 215,000 people, allocated 24.5 per cent of the city budget for parks and recreation operating, in the amount of \$12,339,000, and 14.4 per cent of the city capital budget for parks and recreation of over \$2 million. Does this represent a priority for recreation, when one city expends practically as much as the government of the whole province for capital?

We were recently requested by ministry staff, in our new application year, which had a deadline of 8 September, to consider limiting our grant applications to two or three, because there was only \$15 million and \$12 million respectively allocated for new capital and conservation for the province. We submitted recently 37 project applications that totalled \$1.5 million in eligible grants. In a city that is growing by 8,000 to 10,000 people each year, what we are being told by being asked to restrict our

applications is, "City of Brampton, provide more housing but don't provide the services, because there are insufficient funds allocated for recreation."

Our government has been most effective, and we salute the government of the day in promoting our magnificent province, to which we are all proud to belong, with the slogan "Ontario—Incredible!" It is a fantastic, tremendous logo. It is known throughout North America and beyond. I was quoted it recently in London, England. Someone said: "You're from Ontario. Incredible." I was proud of that.

But it is incredible indeed to us in Brampton that the government has failed to recognize, through the provision of adequate funding, that recreation programs and facilities are important and essential to the citizens of our province.

It is incredible that it is not being realized that recreation is one of the few services that actually practises preventive health and improves the overall physical and mental wellbeing of our citizens. It is also incredible that recreation is not appreciated by the province as one of the few services that actually deters crime and juvenile delinquency by providing a positive outlet for people's energies and frustrations. The courts and social agencies have long recognized the value of people, particularly young people, being actively involved in recreation.

It is incredible that there is not sufficient support in recognizing that recreation is the most effective vehicle to assist ethnic people to integrate within the community; also, to think that there may be a lack of comprehension that recreation is one of the few services that seriously responds to the needs of our disabled population and to recognize that thousands of people in our province who unfortunately have a physical or mental disability are coming out of the closet. They are starting to live because of the opportunities and facilities that are being made available through recreation.

It is incredible to think that there is not a complete acceptance that, with our ageing population, recreation programs and facilities have and will continue to be, in an escalating manner, the mainstay of a worthwhile lifestyle for our elderly—and many of us are getting there.

It is incredible to recognize that the business and industrial sectors support the concept of communities providing adequate facilities and amenities, while the government at the same time endeavours to limit that support without any guarantee whatsoever as to what funding assistance will be available.

Mr Chairman, if I have been passionate it is because we believe what we have said to you today. We think that recreation in its broadest sense is the answer to escalating health costs. We think it is the answer to integrating many, many new citizens from different lands, and certainly is the answer of allowing our youth to grow up into decent, worthwhile citizens.

So the citizens of Brampton and the city council would urge this committee to strongly recommend amendments to Bill 119 to the government of Ontario which are contained in the report you will be receiving, in the appendix of which there is a summary requesting that you seriously consider the following:

1. That 50 per cent of net profits—we are talking from lotteries—be allocated to the promotion and development of physical fitness, sports,



recreational and cultural activities and facilities, and that 50 per cent of net profits be allocated for the activities of the Ontario Trillium Foundation and the capital construction and reconstruction costs of hospital and medical facilities. We do not agree with Bill 119 in terms of financing hospital operating costs, and we support the region of Peel, which has made a submission to you, I believe, in that regard.

Further, that the net profits not expended in any fiscal year for these purposes be placed in a reserve fund for future financial requirements for these uses. We followed the legislation by giving you the present legislation, and on the right-hand column in the appendix making these proposals as amendments.

2. That the net profits of the corporation that have been paid into the consolidated revenue fund before 1 April 1988 and which have not been expended before that date, be applied to the reserve fund for the promotion and development of physical fitness, sports, recreation and cultural activities and facilities in the fiscal year in which this act comes into force.

We say that to you in that we feel we have a legal right to those funds because the legislation said they were designated for culture and recreation. We find it difficult that we would be going back and saying we have legislation here that is moving back years when there was already a commitment by the Legislature.

That is the conclusion to our remarks. Members of council or myself are quite happy to answer any questions of the committee.

The Chairman: Thank you very much for your presentation. You have left a few minutes for questioning; Mrs Marland has indicated that she would like to ask the first one.

Mrs Marland: I was going to follow the member for Brampton South (Mr Callahan).

Mr Callahan: I will follow you.

The Chairman: I was going to allow the member for Brampton to thank the group for coming, too.

Mrs Marland: All right. As a member of the Progressive Conservative caucus, I would like to thank the group for their nonpartisan, strong, forceful presentation this afternoon. I think that when Mr Gordon tells us that there are thousands of Ontarians represented by the comments made not only on behalf of the city of Brampton but by the other municipalities who have passed similar resolutions—in fact, I am sure if we look at a population of close to 10 million now in this province, we are probably talking about millions of people who will be affected and will, once they know what Bill 119 is, other than a number and a piece of paper, share the same concerns the city of Brampton has.

When the city of Brampton says it is disappointed with Bill 119, I am sure it is recalling the battle royal we did on Bill 38; we also very quickly recall that that was a minority government. Now we are in the position where we have, obviously, the blind arrogance—when you have 94 seats, you are going to do what you wanted to do all along and in fact ignore the municipalities.

1500

I feel very bad that the issue on the street will be that these preventive medicine measures, which culture and recreation are, will be viewed as just being pitted against hospitals. The truth of the matter is that not a single dollar as a result of this bill will go to creating new hospital beds or new hospitals. What the public will not understand initially is that it is operating budgets of hospitals. How the bill's intent can be in the best interests of the city of Brampton or any other city, town or municipality in the province as far as their health care system is concerned: If a hospital operating budget is at the whim of a lottery profit, we sure are gambling with the future health of the people of the province.

On our own behalf, Mr Gordon, I would like to thank you for your excellent, forthright presentation on behalf of the people you serve. I am impressed with the fact that we have the other elected representatives from the city here this afternoon.

The Chairman: A brief comment.

Mr Laughren: Yes, very brief; I know we are running out of time. I would not want to curry favour with this group by saying it is the best presentation we have heard, but it was one of the best, I can tell you. It was a very powerful presentation.

I am a little surprised that part of your presentation has to do with reserving 50 per cent of the lottery profits for culture, recreation, sports and fitness and 50 per cent for the Ontario Trillium Foundation and the construction of hospitals. The reason I say that is that I am wondering whether you share my nervousness that if you start pitting culture and recreational programs against hospitals, which will be vying for those funds—and they are always limited—the culture and recreational organizations will come out second in the competition. When culture and recreation compete with hospitals, in the minds of many people, right or wrong, hospitals will win. So I am very nervous about that part of your presentation. I wonder if you could comment on that.

Mr Gordon: That is why, when you received the report, we asked that the legislation clearly spell out that there is a legislated commitment that at least 50 per cent—we said 50—goes to and is earmarked, the way the legislation is today, for culture; and the remaining to there, so that hopefully if the legislation were placed that way, you could not have an encroachment.

Our first position, as I think you may be aware, was to rescind the bill, which was our position on Bill 38. However, reality says—we know how strongly the government feels. We feel that sufficient funding: 50 per cent of the \$500 million in profits annually probably would cover all the capital and conservation projects, based on our knowledge of what has come in.

Mr Laughren: I am reassured, because otherwise I would be very nervous. The way the bill is written now, there is absolutely no guarantee of any money. I am not saying this would happen, but certainly if pressures were to build, the amount that goes to culture and recreation could be very, very small at times. If the health care sector were really under siege, there is nothing that guarantees any money for it.

Mr Gordon: That is our major concern. Even now, the way it is



written, we are allocated only \$15 million for new capital. I am not worried about what party we are talking about here; that is not important. We used to have some fights on the other side the odd time.

Interjection.

Mr Gordon: Yes, Bob. You would not believe that.

However, the important thing is that everyone involved in the soccer association, the ball association and municipalities cannot do any planning, none whatsoever, in this province. Yet the province is saying: "Plan ahead. Administer properly." There is no opportunity, with no guarantee of what might be available. That is our real concern in this whole process. Under the new legislation, we could be allocated \$1.56 and it would comply with the act as it is written today.

Mr Laughren: May I assume we will be getting a copy of your brief?

The Chairman: Mr Gordon asked us to distribute it after the presentation. You will be getting it in a minute.

Mr Callahan, a brief word of thanks, please, rather than an argumentative comment about what has been said.

Mr Callahan: I wish I had some time—my colleagues have apparently used it up—to ask you a few questions, Don, but I guess I can always ask you them informally on another occasion.

I want to thank you for coming. The presentation, as always, was good. I just wanted to say one thing, though. If the council's original intent was to have the bill rescinded, would that make section 9 of the former bill under the previous government any more of a trust fund? As I read it, it says "to be available." That is the wording. Any person reading that, and not being influenced by the tickets that were sold in those days with the sports figures on them, would clearly understand that that was no commitment whatsoever. Therefore, I suggest that I would prefer you went with your present proposals and ask that the bill be rescinded, because if it was rescinded and we had to rely upon the law that was in existence, there would be no greater protection for sports, culture and recreation than you suggest Bill 119 offers.

Mr Gordon: Mr Callahan, that is why the brief does not speak to rescinding, and that is not our position at this time being placed before you. I think you also know our concern that we used to have tax-based funding for recreation capital.

Mr Callahan: That was withdrawn by the former government, was it not?

Mr Gordon: As I said to you, I cannot keep track.

Mr Callahan: I think you know it was.

Mr Gordon: We have enough to do in Brampton without worrying about who does what, but in 1978 it was \$19 million out of taxpayers' pockets to fund recreation under the Community Recreation Centres Act.

Mr Callahan: That was the community centres program?

Mr Gordon: Yes.

Mr Callahan: In fact, they were withdrawn pre-1985.

Mr Gordon: We are in worse shape now than we ever were.

The Chairman: We are going to have to wind this up.

Mr Callahan: Thank you very much.

The Chairman: Thank you very much, Mr Gordon, and other members from Brampton. We have enjoyed your presentation very much. Thanks for coming.

We have a second presentation we would like to begin. If the folks chatting at the back would mind doing that out in the hall, I would appreciate it.

Our second presentation of the afternoon is on behalf of the Ontario Museum Association. Margaret May, the vice-president of that association, will be making the presentation, and Steve Neufeld, the acting executive director, will be sharing the presenting table with her. You may begin as soon as you feel comfortable.

1510

#### ONTARIO MUSEUM ASSOCIATION

Ms May: The Ontario Museum Association welcomes this opportunity to participate in the discussion regarding Bill 119, An Act to amend the Ontario Lottery Corporation Act.

The Ontario Museum Association wishes to express its grave concern that the proposed amendments to the Ontario Lottery Corporation Act will, despite assurances to the contrary, severely limit access by community museums to already beleaguered resources. Ultimately, this will have a detrimental impact on the ability of museums and other heritage organizations to perform their responsibilities and serve the public.

We wish to make three points: (1) that heritage preservation is an essential element in our lives requiring financial support from all levels of government; (2) that the proposed amendments to the act will substantially reduce access to lottery profits, funds which are already limited by eligibility requirements and changing program benefits; (3) that the current lottery-funded programs barely meet basic needs established by the Ministry of Culture and Communications' own policy of standards for community museums.

The first point is that it is an essential element. The Ontario Museum Association, founded in 1971, is committed to the development and promotion of museums and museum work, supported by a membership of both institutions and paid and unpaid museum workers. We have actively worked to bring the concerns of those responsible for museums to the attention of the Minister of Culture and Communications in an effort to forge effective partnerships in advancing heritage preservation in Ontario. At the root of our professional ethic is the commitment to the conservation and interpretation of our collective heritage which is held in the public trust for the benefit of present and future residents of Ontario.

That the Canadian public believes in the importance of heritage preservation is indicated by the number of institutions and their collective attendance. In its 1985-86 survey, Statistics Canada found that 98.3 million



people visited 1,946 heritage institutions across Canada. Focusing on a subset of 261 museums and art galleries in Ontario, Statistics Canada found that their visitation totalled over 8 million people per year.

As this government pits hospitals against culture and suggests that it is a choice between saving lives or saving old things, it bears repeating that our heritage, our individual and collective relationship with our past, is also an essential element of our lives.

Museums are rooted in the community and its sense of identification with its historical, cultural and artistic roots. As such, museums play a number of important roles. Museums are custodians of objects, specimens, even ideas. Museums are places to pursue answers to questions each of us have about our own lives and our relationship to the world around us. Museums are educational, a place where questions are asked, connections made and self-awareness increased. Museums are places where people willingly and happily spend time together.

Museums are challenged every day by the demands of our changing society. Just like everyone else, museums must deal with the impact of new technologies, an ageing population, cultural and racial diversity, environmental pollution, hazardous materials, language services, physical and intellectual accessibility, diminishing financial resources and increasing specialization in the workplace, to name a few. In addition, museums are affected by government legislation such as freedom of information, copyright and now the federal goods and services tax which will treat museums just like baseball games. All have direct financial implications.

That heritage preservation is a contemporary issue is increasingly apparent. It has been placed on the agenda by all three levels of government throughout Canada. The federal government is about to bring down a new national museum policy; the provinces are refining their policies. Indeed, municipalities are articulating what is proving to be a fundamental commitment in integrating heritage preservation considerations into their basic planning processes. The Association of Municipalities of Ontario strongly supported the basic principles of the Ontario heritage policy review, recognized that municipalities have a key role to play and urged that the government establish the necessary policies, mechanisms, legislation and funding support necessary to do the job at hand.

The second point is about access to lottery dollars. To quote Barbara Tyler, past president of the Canadian Museums Association and director of the McMichael Canadian Collection in Kleinburg, "The single, most fundamental issue facing museums today, and most definitely in the future, is something called money—the wherewithal to do business."

This is the issue we address today when we speak of the proposed amendments to the Ontario Lottery Corporation Act, changes which will alter the act's fundamental purpose to direct lottery profits to culture, recreation, sports and fitness. The government assures us that it is not necessary to enshrine its commitment to these sectors in the act.

We would suggest that the wording of the amendments is deliberate. The very preciseness of the use of the word "may" for allocating funding to culture, sports, recreation and fitness and the word "shall" for allocating unspent profits to hospitals very clearly establishes the government's priorities. Actual lottery dollars appropriated for culture and the other designated sectors will be reduced.

Lottery dollars fund two programs: capital improvements and special projects. Under the capital improvements program, museums are eligible for up to one third of the total cost of a project, with a \$1-million ceiling. The remaining two thirds comes from other levels of government and public fund-raising.

Between 1985 and 1987, the Minister of Citizenship and Culture awarded \$13.6 million of lottery funds in support of 136 projects processed through three branches: heritage, arts and libraries. The heritage branch received \$7.1 million in lottery funds in 1989 for its capital program, of which, according to our research, only 10 per cent may be granted to museums. Furthermore, only ministry client museums have priority access to this funding. Client museums, 196 presently, represent less than 50 per cent of the more than 400 museums in the province.

The second lottery-funded program for special projects has been especially well used by museums. However, it is important to note that changes to the individual program benefits continue to decrease the eligible portion of a project's cost as well as lower the maximum grant possible. For instance, we have been advised that an equipment program will soon change the eligible portion of an equipment project from 50 per cent of total cost to 33 per cent. The total grant possible will be reduced from \$10,000 to \$7,500.

This reflects a growing erosion of the lottery funds available. It is not unreasonable to expect that as it becomes harder and harder to obtain a grant of minor proportions, programs will be undersubscribed. There will be unspent lottery dollars. The ministry's annual appropriation will be decreased. It will be demonstrated that museums do not need the money—or will it?

The third point concerns government policy. These amendments to the Ontario Lottery Corporation Act are especially ironic at this time, given the Ministry of Culture and Communications' commitment to standards for community museums and the imminent release of its revised heritage policy.

Since the introduction of standards for community museums in 1980, Ontario has been regarded as a leader in museum development. On the urging of the Ontario Museum Association and other heritage associations, the ministry developed operating standards for museums to ensure that they would be able to fulfil their responsibilities to the collections and the public. Furthermore, provision of funding for both operations and capital improvements was and remains fundamental to the success of this program.

Has the real need for capital funding decreased, funding essential if museums are to meet the standards set almost 10 years ago? Although we do not have any specific data from the ministry on the volume of applications for the heritage capital program, we doubt that we would be wrong to suggest that requests for capital funding far exceed the actual dollars in the annual appropriation.

A recent study by the Department of Communications estimated that close to 40 per cent of museums in Canada have no paid staff and that close to 30 per cent have only one to two full-time professional staff. Clearly, even given Ontario's advances, there is considerable work to be done. Restrictions on the availability of capital funding will prevent this from happening.

The recent review of the Ontario Heritage Act demonstrated the Ministry of Culture and Communications' commitment to the principle of developing a



more comprehensive and enabling approach to heritage preservation. The policy review discussion paper stated:

"There is a need for a broadened recognition of the importance of heritage resources and activities in Ontario...the province has a leadership role to play...to ensure that the conditions, mechanisms and support exist to make this development possible—to enable individuals and institutions to find the human, financial and other resources necessary to achieve their objectives."

In its response to the review, the Ontario Museum Association reiterated its concern for the chronic underfunding of museums despite their considerable efforts to seek financial support from the private sector "but realizes that increased expectations of the public, the backlog of conservation, collections management and other demands and the high cost of providing museum programs can never be met by merely turning to the private sector for financing. Public funds must continue to be the major component of museum budgets."

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In order for this government to fulfil its commitment to heritage preservation, those institutions and organizations to which the community has entrusted this task must be able to procure provincial government funding. Municipal governments have already assumed a tremendous percentage of the operational budgets of many museums in this province.

In 1988, the 196 museums in the ministry's community museum operating grants program reported revenues of \$17,406,515. Of that, 14.49 per cent, or less than \$3 million, came from the provincial government. Within this group, 123 museums, or 62 per cent, had operating budgets of less than \$60,000 and function with a staff of 53 full-time professional staff. We believe that the optimum level of government support for museums has not yet been achieved.

In conclusion, the Ontario Museum Association believes strongly in the need for co-operative partnerships with all levels of government and other heritage organizations to ensure that as we enter the 21st century our institutions will be equipped to meet the demands of collections' preservation and interpretation as well as be able to respond to the increasing expectations and needs of the public. Museums cannot operate without the financial support of all those who have a stake in heritage preservation, and this includes the provincial government.

The proposed amendments to the Ontario Lottery Corporation Act will only serve to destabilize an already insufficient source of funding. It would be worth while for each of you to consider the value that is virtually wrung from every lottery dollar that goes to culture and to consider the overwhelming impact that such a relatively minor allocation has in the operation of our cultural institutions and organizations.

The Ontario Museum Association wishes to endorse the recommendations proposed by the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario, and strongly urge changes to Bill 119, An Act to amend the Ontario Lottery Corporation Act.

#### Recommendations:

1. That all profits from the six specified lotteries be combined and that one third of these profits be designated for culture, recreation, sports and fitness.

2. That the accumulated notational surplus resulting from the intraprovincial lotteries be treated as a trust and that the total annual interest be allocated to culture, recreation, sports and fitness.

The Chairman: Thank you very much. Mr Farnan would like to ask a question or make a comment.

Mr Farnan: I am a historian by training, and I suppose a local history buff by nature, so I definitely have very much a bias towards your presentation. I am concerned not just about the flagship museums. I think I am very concerned about the small local museums. I think every community in Ontario has a richness of heritage that needs to be preserved. I look at my own community of Cambridge and I think of people like Katherine Hebblethwaite and other very dedicated individuals who have given almost a lifetime to the preservation of that heritage. It is very concerning when the work of these individuals does not have the financial support of the government.

You brought out a wording in your presentation that I would like to zero in on. You may very well be the first group to have actually focused on this. In the amendments proposed by the government, the words used are "may direct" when it concerns culture and recreation funding, and "shall be applied to" when it talks about hospitals. I have sat on this committee for some seven days now, and a recurring theme—it is very disconcerting when this partisan politics enters into the sphere—

Mr Fleet: It is unbelievable to hear you, of all people, say that.

Mr Farnan: —and the present government is accusing the past government of disreputable practice. They go back and they say, "Look, when this law was made in 1974, you used the words, 'to be available to' and that did not give the groups protection," and at the same time, you point out so correctly that the wording used in this legislation does not give culture and recreation any cause for comfort.

In fact, I was about to point out that indeed the wording within this act gives less security to groups in culture and recreation than under the old legislation. So enough of this nonsense between the Conservatives and the Liberals: "You gave us this wording. We are giving this wording." What we are looking for is constructive co-operation between the players.

I think what we are asking, what the culture and recreation people are saying, is: "Put this petty politics aside and let's work as a partnership. As volunteers and as professionals, we will provide the manpower and the energy to have an enriched cultural and recreational lifestyle in the province. We want the guarantee of funding from the government that will make this possible."

My colleague and I have tabled amendments, attempted to put them into language that would be acceptable and that would incorporate that a minimum of one third of the net profits be designated to culture and recreation and the accumulated revenues be designated in a trust fund for the same purpose.

I would suggest, and I would like your reaction to this, that what you are looking for is a mature relationship with the province, one in which the province recognizes your integrity, your professionalism, your dedication and at the same time gives you a guarantee that says: "Look, the funds are going to be there. Let's work together."

Ms May: With regard to your point about the previous legislation,



although I was not involved with the museum community at that particular time at this level, I would expect that probably those involved with culture, recreation, sports and fitness were absolutely overwhelmed by the generosity of the government, which appeared to designate the funds to that particular purpose, and people did not quibble about words such as "may be available."

I think it is very apparent that we must quibble over specific wording, because I think it will only come back to us when, in two years, strains on hospitals or some other important sector in the community start to have an impact. They will start to look at those words and legally it will only say "may be available." We will not have anything to stand on in terms of saying, "That money was originally intended for our use."

Mr Farnan: Would you like to comment on the difference in the quality of the relationship with the government that might exist between culture and recreational groups, given the fact that the government listened to your concerns and gave you a guarantee, as opposed to a situation which left you virtually in a state of limbo?

Ms May: I think the cultural community now appreciates the necessity of having our relationship more clearly defined. People involved in culture have always been very grateful for the pennies that came our way. We have done a tremendous amount of work on very little money, and I think it is inappropriate for this government to suggest that it is a choice between hospitals and health care or museums and heritage preservation, culture in a broader sense. We do need to clarify that relationship and see that this commitment to culture is enshrined in a very legal way with respect to its obligation to our sector.

Mrs Marland: Since my colleague just used six minutes, I think all I am going to do is thank this group very much for its presentation. I think they know very well where the Progressive Conservative caucus is coming from. We were the caucus that persuaded the Treasurer (Mr R. F. Nixon) not to bring forward Bill 38. We are less happy with this bill because, whereas in Bill 38 everything was to go to the general revenue fund and maybe it would be for bridges and highways and hedge-clipping and everything else, now we have something that is very difficult to battle in the public forum because we are going to be perceived as saying no to hospitals.

The fact of the matter is that this bill, ironically, does not guarantee any amount to hospitals either. Having been a member of the board of governors of a hospital, I am quite sure that the hospitals are not thrilled with the idea of having their operating budgets at the whim of a lottery.

1530

I think your points are very well made. Knowing at first hand the work of the museums and their staff in the city of Mississauga, and speaking as a former city councillor and being embarrassed at their meagre salaries, plus all the thousands of hours by volunteers that go into the operation of small museums and municipal museums across this province, I certainly think it is tremendous that you made the effort to be here and to prepare such an excellent brief.

I am not at all optimistic that the government is going to listen, unfortunately, but at least you will never have to feel that you did not try. We will try on your behalf, but there are four of us sitting here, as you

recognize, and seven of them including the chairman, so that is a lottery game in itself.

The Chairman: During these hearings, the chairman obviously is completely neutral. In recognizing Mr Fleet, I would like to point that out.

Mr Fleet: I appreciated your presentation very much. I think highly enough of you that I do not think you are going to buy much of what you have heard from the last two members, but I would like to say that the present legislation is not what groups thought it was going to be. It may be that for the reasons you have indicated, the groups did not quibble over the wording when they should have. None the less, the reality is that the fear that is being propagated by some, that somehow there is a competition with hospitals, essentially has already happened. It has happened from day one of the current legislation. Whatever was not spent on culture and recreation, coming from lottery funds, was spent on hospitals or whatever it is you choose to say it was spent on. It was spent on functions of the government.

What we feel and why Bill 119 is the way it is worded presently is that that kind of game was not an appropriate thing. In essence, we are rectifying a past practice that really was not as fully upfront as we think it ought to be. But the heart of the problem I am hearing about the level of overall funding is another matter, because it is not just lottery funds that you spent but other government funds from general tax revenues. I guess the bottom line for any government is, what is the track record?

We have been spending more money each year on all the areas, using both lottery funds and other sources of revenue. It has gone up at about twice the rate of inflation, some 48 per cent, since 1985 when the Liberal government was first formed. That may not solve all the problems of individual programs, and some of the things you have talked about touch on the problems of certain types of museums and what not. I think it is very useful for us to hear about that because I think it is always a responsibility of the government to look to improve. We are not suggesting that all programs are working optimally, although we are trying to make them do that.

We hear you on that and appreciate the thought that went into your presentation. As to the other games, I am going to let them go by for now. I did appreciate your presentation very much.

Ms May: I would just like to comment on that. Heritage culture has always been the poor cousin, no matter what the priorities are, whether it is going to be sewer systems, housing, hospitals, whatever. I think it is time—it sounds as if the Ministry of Culture and Communications is starting to look at this issue—that heritage is not just a luxury in our community and I think we have to stop looking at it that way.

We have been careful to separate operating issues from the capital grants program, but they are very closely related. Although people can point to increases in the total ministry budget, where it filters down and how it filters down into particular areas needs to be looked at very closely. This province supports some very major agencies that receive a major portion of the funding that goes into the support of museums or art galleries in this province. It is not necessarily getting down to the 400 community museums that represent a whole other important element in our society.

Mr Fleet: If I might, just very briefly, Mr Chairman.



The Chairman: Very briefly.

Mr Fleet: Although it is a different aspect of the celebration of heritage, I am sufficiently a proponent that I have proposed we have an extra holiday in February every year, so I will use this moment to put in a plug. I am very much in support of the celebration in all its aspects, and museums are obviously a key part of that.

The Chairman: I would like to thank you very much, Margaret, for an excellent presentation. I think you represented your area of the cultural group extremely well.

Ms May: Thank you for your time.

The Chairman: Our third presentation this afternoon is on behalf of the Older Adult Centres Association of Ontario. Mrs Rhea Shulman, on the board of directors of that group, is to make the presentation.

While we are getting set for our third presentation, our research officer is handing out a research document that clarifies somewhat the intent of the wording of the proposed amendment to the Ontario Lottery Corporation Act. This was requested earlier last week and has been made available through the people designated at the top of the handout.

If you would like to begin, Mrs Shulman, we would be pleased.

#### OLDER ADULT CENTRES ASSOCIATION OF ONTARIO

Mrs Shulman: I feel a little bit as if I did something to empty the house. I hope that is not true. The others are really hard acts to follow, but I will do my best.

The Chairman: Do not feel bad about that at all. Folks tend to come and give their presentations and leave.

Mrs Shulman: Yes, but I thought I was going to be talking to a standing committee, not just the chairman and one or two people on the committee. I am not complaining.

The Chairman: The other point of clarification is that everything goes in Hansard in both official languages and we are on television. There are some things happening in the building today that do not usually happen every day, so some of them have very good reasons for not being in attendance at the moment. They are probably watching on their monitors back in their offices.

Mrs Shulman: It is hard to compete with the Patti Starr affair, anyway, is it not?

Mr Fleet: Believe it not, we are not trying. At least one of the members, by the way, is not feeling very well right now. That is part of the explanation. I do not think it is the presenters, but it may have been some of the comments from the other side of the room.

Mrs Shulman: Somebody left with a headache.

First, I want to say that we appreciate the opportunity to present the point of view of the Older Adult Centres Association of Ontario with regard to

the Bill 119 amendment to the Ontario Lottery Corporation Act. We are really here to support the position of the Parks and Recreation Federation of Ontario and to explain a little bit about who we are and why we are here.

The Older Adult Centres Association of Ontario represents 180 older adult centres serving over 150,000 older adults in this province. These 180 centres are supported by the province under the Elderly Persons Centres Act, Ministry of Community and Social Services.

We were originally funded to provide social, recreational and cultural programs for older people. At that time, 1966, the maximum funding was set at a ceiling of \$15,000. Payment was conditional on the municipality providing 20 per cent of the centre's net operating budget. In 1988, the ceiling was increased to \$30,000. Although this increase was greatly appreciated by our member centres, for most centres the elderly persons' centres contribution represented a very small percentage of their operating budgets, for some as little as 5 per cent or as high as 13 per cent.

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The services of centres that had started in 1966 as modest clubs with limited programs had grown to large, sophisticated agencies serving many thousands of older people whose needs indicated growth into preventive health programs, home support services, educational programs and many other programs designed to prevent early institutionalization.

The Older Adult Centres Association of Ontario estimates that it costs a centre between \$200 and \$300 a year to serve each member or user of its services. For private agencies, public funding amounts to only about 18 per cent from the province and about 20 per cent from the municipality, leaving a considerable shortfall of about 62 per cent to be raised internally or self-generated by what is often a large core of dedicated volunteers, the United Way and corporate partners.

Many centres carry the responsibility of raising as much as 79 to 84 per cent of their budgets year after year after year. This is indeed a heavy burden and often utilizes the energy of staff and volunteers whose time and talents would be better spent in service to their users. Two major sources of funding that over the years have gone a long way to relieve this burden are the Wintario development fund and the Ontario Trillium Foundation. Without capital funding from Wintario, I doubt that any older adult centres facilities would exist today.

The 150,000 members of our centres have Wintario to thank for the beautiful facilities they are presently enjoying and that will serve future generations of older Ontarians. Many community partnerships have developed and continued for years afterwards as a result of these initiatives. Further, the more recent availability of Trillium funding that is being administered through the Older Adult Centres Association of Ontario for both capital and operational projects has impacted positively on the service delivery capability of centres.

I thought it would be of interest to you to know about some of the projects Trillium has made possible. A centre in Whitby, in conjunction with the Durham regional public health department, initiated a program of choices for health in retirement, promoting a positive attitude towards ageing and encouraging self-management in health issues. A centre in Scarborough



purchased a modified van for transportation assistance for the functionally disabled elderly, supplementing family and public transportation.

A centre in Kitchener initiated a health promotion program to keep older people in their own homes longer, emphasizing self-responsibility, nutritional awareness, physical fitness and stress management. A centre in Waterloo initiated a program for stroke survivors. A centre in North York initiated a program for older adults with special needs and their families, with an emphasis on Alzheimer's, designed to improve or maintain a functioning level and provide an opportunity for social interaction with peers to enhance self-esteem.

Up to now, I have focused on private agencies providing services to older adults in their communities. However, 50 per cent of the membership of the Older Adult Centres Association of Ontario are centres that are operated by municipalities, municipal parks and recreation departments. Their problems are in some ways different than privately run older adults' centres.

To begin with, to get an understanding of what is facing them in serving not only older adults but the general population as well, I would like to read from the Community Recreation Policy statement produced by the Ministry of Tourism and Recreation in 1987. It is as follows and I quote: "In the future, municipal governments will be called upon to intensify their efforts to stimulate joint planning, information exchange, program evaluation and the co-ordinated development of resources among all groups and agencies providing recreation services so that opportunities and resources can be enhanced and optimized."

These expanded responsibilities as forecast in that policy statement are here now. We have begun to see evidence of this new growth and development. Some have already developed into departments of human resources with appropriate tasks assigned to them. For government to consider any measure that might constrain these developments at such a crucial time in community development is unconscionable.

Older adults' centres programs focus heavily on all issues of health and wellness as they carry out the goals inherent in the definition of recreation for older adults. That definition states that recreation for older adults is any activity one chooses freely that enhances their wellbeing and self-worth.

To expand on the benefits as well as the cost-effectiveness of such programs, may I refer you to page 3 of the Parks and Recreation Federation of Ontario report of 11 September 1989. In it, Dr Roy Shephard of the University of Toronto, who had conducted research on the topic, reported the following: First, a more physically active society produces greater ability by older adults to live independently in their communities, reducing the cost of geriatric care, and produces a reduction in the number of doctor visits as well as less prescription drug requirements. Second, a 1976 study determined that if all Ontario adults attained only an average cardiovascular fitness level, OHIP costs could be reduced by 5.5 per cent.

The OACAO is a long-time member of the Parks and Recreation Federation of Ontario and has enjoyed numerous benefits from this association. We are grateful to the Ministry of Tourism and Recreation as well for its support in the past and look forward to a productive future based on a stable and realistic financial commitment to the field of recreation.

The Older Adult Centres Association of Ontario supports the recommendations of the Parks and Recreation Federation of Ontario in regard to Bill 119:

"1. That one third of the ongoing annual profits of all six lotteries be allocated for the support of culture, recreation, sports and fitness. That these ongoing profits continue to be used for capital projects and other nonrecurring purposes.

"2. That the accumulated profits of the dedicated Ontario lotteries... be treated as a trust fund, and the interest thereon be allocated annually for the support of culture, recreation, sports and fitness. That the interest on the trust fund be split equally between the culture and recreation sectors, and be allocated for specific priority projects."

The Chairman: Thank you very much for your excellent presentation. Mr Farnan would like to make the first comment or ask a question.

Mr Farnan: I think it is a simple comment. I want to thank you very much for your presentation. I am just looking through the briefs we have received and we have briefs from parks and recreation divisions, arts councils, symphony orchestras, theatre groups, dance groups, sports organizations such as hockey, libraries, museums, boys and girls clubs and archivists. The list is pretty exhaustive, and I am just delighted that the Older Adult Centres Association of Ontario has added its voice—I would suggest a particularly strong voice—to this alliance which appears to be talking with a very united focus.

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I say very carefully "a particularly strong voice," because statistics clearly indicate to us that the number of seniors in our society is increasing. I suppose at a political level, the voting power of seniors is indeed something that must be reckoned with. I think we saw what happened when there was an attempt or some question raised as to deindexing seniors' pensions. There was certainly what came to be known as grey power, and a mighty power it was, indeed.

Seniors in this country and this province who have given their lives in the service of the province and the country expect to be treated with dignity and respect, and I think at the same time have the experience and the maturity to bring a very rational approach to the debate, even, if I might say, in the manner in which you made your presentation. Some presentations have been made and they have been very vitriolic. I think your presentation was very calm and quiet, but I got a sense at the same time of a very powerful message to the government that here is another group equally concerned about the future of culture and recreation within our society. I think that is one thing we have to reckon with and weigh and I hope the government will bring that into its thinking.

Second, I am appreciative of the fact that the network has come together with a united voice. Very often when a committee is listening to the public and you are getting all kinds of different messages about what exactly these groups want, it is quite easy to play one group off against the other. It is a divide-and-conquer situation. In this particular case, if I look at the symphony orchestras or the museums or the sports groups or seniors, what I am



hearing is one voice and it makes it very simple for the government to respond. So I appreciate that very much.

Mrs Shulman: I would like to follow up, because I think the points you picked up are extremely important and need to be emphasized. I believe that older people are extremely well organized in this province, as well as nationally. You do not hear about them too often, it is true, unless they are sick or need a lot of money for nursing homes. But you rarely hear from the well older person until the government's foot slips. Then you hear because they really are there and they really are mobilized and they will act as soon as the government, any government, slips a little bit off where it should be.

You are right that the deindexing the federal government tried to do some years ago and the goods and services tax right now really show evidence of the strength of older people. I agree with you; I think governments have to listen, not just for the votes, but because this is a group that can do things. They are very capable, very bright and very ready to act on their own behalf.

Mr Farnan: So really you are looking for a partnership with the government to provide a service of wellbeing for the future of Ontario.

Mrs Shulman: Indeed.

The Chairman: Are there further questions or comments?

Mr Reycraft: Thank you also for your presentation. You indicated that you support the recommendation of the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario, which is that one third of the profits from the lotteries be used for culture and recreation. Can I assume then that you have no objection to a portion of the profits from the lotteries being used for hospitals, health care or whatever other purpose the government so decides?

Mrs Shulman: No, to my knowledge, we do not have any objection to that. I think what the Parks and Recreation Federation of Ontario is really looking for, and which we support, is that there should be some stability in the funding. There should be an ability for agencies and service providers to be able to predict, "This is the money we can begin to look at, that belongs to this sector of service delivery." That has become very crucial. It is very difficult. You begin to feel you are sitting, hat in hand, waiting for whatever comes. That is not a good feeling and that is really rotten planning.

Mr Reycraft: Culture and recreation are funded both from lottery profits and from tax dollars. If that predictability about funding is there and secure, does it really matter what proportion of those moneys comes from either lottery funds or tax dollars?

Mrs Shulman: It matters, of course. I guess what we are trying to do is improve the situation for ourselves somewhat. Nobody is saying we do not recognize the needs of hospitals. What we are saying, though, is that to continue the situation the way it has been, which has been very unstable and unpredictable, has so many pressures and so many difficulties. Now, to make it worse by this threatening posture is very frightening and even more destabilizing.

What we are really asking for is not the whole ball of wax; we are

asking for the one third. We are asking for a stable situation, one we can begin to do planning with.

Mr Reycraft: I am not sure if I agree with your assertion that the situation with the bill would be less unstable than the status quo. From the time the government of Ontario got into the lottery business, it has never allocated all of the lottery profits to culture and recreation, merely a portion of them.

Mrs Shulman: I understand, but we have also never known what it was going to be. They are not written in stone any place.

Mr Reycraft: I thought I detected, from the first part of your presentation, a certain degree of satisfaction, though, with the level of funding that has been provided up to this point. Was I misunderstanding you?

Mrs Shulman: Gee, I hope so. I do not think that is what I said. I do not think I said we were satisfied. I think what I was trying to describe is the reality of the situation that older adult centres face with the present funding formulas we work with.

As elderly persons centres, it is a very low level of funding. Somewhere between four per cent and 13 per cent of an agency's total budget comes from the legislation that covers the older adult centres. There is another 20 per cent that comes from the municipality, also under the Elderly Persons Centres Act, usually leaving a very large chunk of the budget to be raised internally or to find partnerships in the community, in corporations or the United Way or wherever we can find them, to sort of make up the shortfall.

What there is absolutely no place for in the centres' budgets is special projects. For that we must go, as we have in the past, to Wintario or the Ontario Trillium Foundation.

We need facilities. We are centres. Centres are meeting places. Centres need buildings. You are not a centre if you cannot provide that. You must provide that. So when you talk about community-based services, we are a community-based service, but we are a facility-based community-based service, and without the capital funding from Wintario or Trillium or whichever sources we have been able to get it from, there would not be any centres. Some of them are wonderful centres, in this province, some centres that we have been extremely proud to show off to visiting people from the United States or Europe or wherever.

The thought that that money might not be available to us is a very frightening one, because, as Mr Farnan says, this is a growing population of older people. This is snowballing. If I may say so, this is you. If it is not your parents or grandparents today, it sure is you in the next 25 years, and that is not that far away.

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Mr Reycraft: For some of us, it is much less than that.

The Chairman: Mrs Marland, a last brief comment or question.

Mrs Marland: I am glad Mr Reycraft is speaking for himself.

I think it is very important that the government members of this



committee hear what you are saying. I heard very clearly your message. The Progressive Conservatives in Ontario recognize the hazards of Bill 119 just as we recognized the hazards of its predecessor, Bill 38. Bill 119 does not give any guarantee as to where the money goes after it goes into the general revenue fund. The wording of this bill says that the net profits "shall be paid into the consolidated revenue fund." Then the next words are, "and in such manner as the Lieutenant Governor in Council may direct, to be available for appropriation by the Legislature," for the two areas, the Ontario Trillium Foundation and recreation, culture, physical fitness and sport.

So your concerns are well founded. There is no guarantee. The irony is that while this is being sold as a solution to hospital accommodation in the province, in fact there is no guarantee for hospitals either. The only guarantee is that the government gets its little paws on the lottery profits. That is the only guarantee on Bill 119 and that is why, in all these deputations that have come before this committee in a week and a half so far, there has not been one group that is supportive of this legislation. We really appreciate the time and effort that you made to be here to make your presentation on behalf of your very excellent cause. Thank you.

The Chairman: I would like to add my thanks, Mrs Shulman. I had the feeling by the glint in your eye when you began your presentation that the committee members would filter back very quickly, and they did, so you must have attracted them with the excellent report you were giving. Thank you very much.

Mrs Shulman: You are very kind. Thank you, everyone.

The Chairman: Our fourth presentation this afternoon is on behalf of the region of York. We have represented here all of the participating municipalities of the region of York in the persons of: Doris Haist, who is the director of recreation for the town of Vaughan; Brian Wigglesworth, who is director of parks and recreation for the town of Markham; John Lohuis, who is director of leisure services for the town of Aurora; and Linton Friedberg, who is commissioner of parks and recreation for the town of Richmond Hill.

I would like these folks to approach the presenters' table, if they would, and, as soon as they are comfortable, to present their brief.

#### REGION OF YORK

Mrs Haist: Thank you for the opportunity to present this afternoon. Even though there are only a few of you here, we hope that those of you who are here will listen to our comments and take notice.

As mentioned by the chairman, all the parks and recreation commissioners and directors from all of the municipalities in the region of York are here today to voice our opposition to Bill 119. We support the position taken by the Parks and Recreation Federation of Ontario and the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario.

Many of the briefs and presentations that you have received over the past week and a half, as well as the numerous written material you have received, have focused on the issue of quality of life and recreation as an essential service. We in York region want to provide the parks and recreational facilities and programs necessary to meet the leisure time needs of our residents.

Much has been said about the importance of recreation in contributing to the overall wellness of the population. There is no question that recreation opportunities enhance quality of life in a community and contribute significantly to the health and wellbeing of participants. The cost of providing these opportunities is enormous. The tremendous rate of growth in York region has put a great deal of pressure on our municipal parks and recreation departments to keep pace with the demand.

We are building many new parks, acquiring special pieces of park land and constructing many new facilities. Our construction projects provide a considerable amount of revenue to the provincial government. Over the past three years, the nine municipalities of York region—which include Georgina, East Gwillimbury, Newmarket, Aurora, King, Whitchurch-Stouffville, Richmond Hill, Markham and Vaughan—have spent \$117,333,229 on capital projects, a huge amount of money.

The breakdown on an average construction project: 60 per cent of the cost is labour and 40 per cent is materials. On that 40 per cent that is spent on materials for these projects, the provincial sales tax, as you know, is eight per cent. The approximate revenue received by the province on our projects from 1987 to 1989 is \$3,754,569. On the labour figure, the 60 per cent, the provincial government receives its share of income tax, and the wages from our projects is approximately \$70,398,179. Assuming a tax bracket of 25 per cent for the workers on the project, the provincial share of income tax paid is \$5,860,648.

Over the next three years, the projected expenditure on capital projects in York region is \$105,655,065. We are continuing to grow in York region and we are attempting to continue to build facilities. This will result in revenues for the province of about \$3,338,962 in sales tax and \$5,277,470 in income tax.

Over the past three years, the provincial government has given capital funding to all of the municipalities, both in new capital grants and capital conservation grants. The amount totalled \$5,978,351. This investment of lottery funds has brought, in return, revenues of \$9,615,217 to the province. This results in a net gain of revenue for the provincial government of \$3,636,866.

In addition to these direct sources of revenue, there are, of course, many other benefits to the economy, including job creation, travel and tourism benefits, sports equipment sales and so on. I know some of the other organizations, including the Parks and Recreation Federation of Ontario, have elaborated on these many benefits to the economy.

We in York region want the provincial government to provide a fair share of funding to our region and to follow through on its commitment, as outlined in the 1987 community recreation policy statement which was approved by cabinet. In that statement, the government recognized and confirmed its obligation to provide financial assistance through a variety of programs to municipal governments and other organizations for the development of recreation services. Bill 119 ~~does~~ not support this policy statement.

There is no minimum funding guarantee under the proposed revisions to the Ontario Lottery Corporation Act. A reduced level of funding will seriously affect our ability to continue to build new facilities for our ever-growing communities. The facilities which we have built require huge operating budgets and, of course, need ongoing maintenance and repair. As these facilities age,



they will need capital conservation dollars. In fact, many of the existing facilities in our older communities are in need of extensive retrofitting and renovating right now.

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The funds which have accumulated in the provincial government's coffers somewhere to the tune of \$359 million are moneys which were not in fact surplus, but which the provincial government chose not to allocate. There were many justifiable and eligible grant applications submitted which were turned down due to lack of funds.

Those of you who think that there will still be adequate funding for recreation and culture after Bill 119, should keep this in mind. We have been unable to access the accumulated profits that now exist under the Ontario Lottery Corporation Act even though funds were "available to be appropriated to us."

The prospect of Bill 119, along with other cutbacks in funding—Regulation 517—and the nonfunding of the Community Recreation Centres Act grant program and the potential negative impact of Bill 20, which is the Development Charges Act, has all of us in York Region very concerned. The future of recreation, an essential part of life for hundreds of thousands in York Region, is being threatened.

In an attempt to preserve the quality of life in York Region and to be able to continue to meet the recreational and leisure-time needs of our ever-growing population, we support the Parks and Recreation Federation's proposal—and I know you have heard this many times this week but I am going to repeat it—which is:

1. That one third of the ongoing annual profits of all six lotteries be allocated for the support of culture, recreation, sports and fitness; that these ongoing profits continue to be used for capital projects and other nonrecurring purposes; and,

2. That the accumulated profits of the dedicated Ontario lotteries—\$369 million in 1988—be created as a trust fund, and the interest thereon be allocated annually for the support of culture, recreation, sports and fitness; and that the interest on the trust fund be split equally between the culture and recreation sectors and be allocated for specific priority projects.

There is also an appendix which outlines the expenditures from 1987 to 1989 for the municipalities in York Region, our projected capital expenditures from 1990 to 1992 and what we have received in capital grants over the last three years.

That is the end of the presentation, in my role of representing the region of York municipalities. I am the director of recreation in the town of Vaughan. I would like to take just a moment to talk about how this affects the town of Vaughan.

Over the past two years, we have had in the town of Vaughan three very significant capital projects for which we applied for funding but were turned down. We met the criteria, the application was received and so on.

In 1988, we opened the Dufferin-Clarke Community Centre which is a \$3.5-million facility to serve the residents of Thornhill. It is used to

capacity within a year, and we are hoping to be able to add a pool to the complex next year.

In 1989—this year—we opened the West Vaughan Community Centre, a \$14-million facility to serve the residents of Woodbridge. It is also at capacity, and more facilities are being planned for Woodbridge.

Also this year, in 1989, the town of Vaughan spent \$6.2 million to purchase 23 acres of green space in the Yonge Street corridor. This property which is known as Uplands is a beautiful and valuable piece of land which would have gone under the developers' shovels had the town of Vaughan not come up with the money. Despite our pleas to every level of government, no money was available. The town of Vaughan put out this \$6.2 million, thereby depleting our parks reserve fund. We now have no money to develop other parks as a result of this purchase.

Some of the other representatives from York Region, perhaps would like to speak about their municipalities.

Mr Wigglesworth: Thank you, Doris. Mr Chairman and members of the committee, the town of Markham, as you might know, is a rapidly growing area of the southern part of York Region. I feel very strongly that the province has been receiving rather significant revenues from the capital expenditures that certainly the town of Markham has decided to build in the last several years. This is through the eight per cent provincial sales tax as well as your share of income taxes that is paid by the workers on these specific projects.

Frankly, being maybe the senior member of the people in front of you here, I figured I would mention it before other people do. One of the words that come to mind, in my experience with the province, has been one of partnership and one of trust. We have had many good partnerships, certainly in the 28 years that I have been in this business, going back to the community programs branch days when recreation was with the Ministry of Education. Quite frankly, I think that partnership is becoming very one-sided in the last several years. I think the partnership is certainly more on the municipality side than it is on the provincial side.

The town of Markham has built many facilities where we were applying for provincial grants and were turned down, when frankly our applications met all the criteria. The only problem was that there were not enough funds allocated in that particular budget year to approve our projects. This is something that is very discouraging.

There is a policy paper that Doris mentioned that talks about provincial funding and a share, and I think all we are asking in the town of Markham is a fair share in line with this partnership. We do not want all the funds, we do not expect to get all the funds. We certainly expect to be treated as a true partner, and maybe we can get back to that true sense of partnership that the policy statement which this government has approved implies.

Mr Friedberg: Linton Friedberg, from the town of Richmond Hill. I would like to echo the thoughts and words of my two confrères and just to add a few other little things.

There are not too many areas in the province and in the country that are rapidly growing as fast as York region. In Richmond Hill, we are experiencing a growth pattern of 15 per cent to 22 per cent per annum. The quest to keep up with the population demands, wants and increases for recreation facilities is



such that it makes it very difficult for all of us in this particular area to do that. In our case, we are three to five years behind the matter. We are now trying to do some catch-up.

We have worked as a partner with the provincial government in funding some of the various facilities we have had in the past couple of years. We know that the facilities that not only we build in the town, but the facilities that other community organizations build in the town are in need of some assistance through Wintario funding. The rest of the people do not wish to see the funding changed. We wish to see a fair and equitable funding for York region and for Richmond Hill.

Mr Lohuis: I am the last one. Hopefully, I will not be repeating too much.

I am from Aurora. We are basically the centre of York region. In contrast to my wealthy neighbours to the south, I might represent some of the less wealthy people in the northern section, some who have experienced a little more continued restraint.

At this point, Aurora is in a virtual hiring freeze. We have exhausted all our capital funds. We are looking ahead at double-digit tax increases.

Those of you in municipal government know that local municipalities always end up with the final result from the taxpayer, and for the first time in Aurora's history, we are even considering a double-digit tax increase.

With respect to the government's previous participation in Wintario and in the funding programs, you were part of a partnership that has had all of us involved with the community, with service clubs, with those parties who are interested in bettering our lives. It would include service clubs, many other private organizations, the government and of course your funds.

Quite frankly, you people have had a very good return on your investment. For a minimal investment, you have seen many facilities going up with probably less than 10 per cent total capital investment. Most of the operating costs are assumed by the municipal governments.

The partnership is now in danger. We often use the Wintario funds to work with community groups to say, "You fund-raise and we will help you." I am afraid that without that particular bonus and without that particular structure in place, we may find that recreation falls to the lowest end of the municipal priorities and that infrastructure which does so well may fall to pieces. Thanks very much.

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The Chairman: Thank you very much for all your presentations. I have four names on the list so far, committee. Mr Laughren is number 1.

Mr Laughren: I noticed on the last page where you mention the money. Just as a matter of interest, it seems to fluctuate very widely. Is that because places like Vaughan and Markham have got their big construction projects done but, in the opposite way, Richmond Hill is going to spend almost twice as much and Aurora is going to spend a third as much in 1990-92 versus 1987-89? Is that normal in the recreation field: that the expenditures would fluctuate that much?

Mr Wrigglesworth: If I might, sir, I think it could be a question of timing. For instance, in the town of Markham we will be opening some time in the latter part of November of this year a \$12 million to \$13 million community centre that has been under construction for two years. We do not anticipate building, certainly, a facility of that size for another two to three years from now. So I think part of that reasoning would be exactly as you stated.

Vaughan and Markham may have just hit the right time in the last several years. We are opening facilities. Richmond Hill is more on a building program in the next three years versus the last three years.

Mr Laughren: I represent a constituency up in the north that does not include any major town, even. It is all small communities and lumbering, mining, etc, in towns of three to four hundred.

Mr Reycraft: I thought Shining Tree was a major town.

Mr Laughren: Shining Tree included, yes. There is a sense up there—I do not think I am speaking unfairly when I say this—that you people have everything you could possibly want. You have got all the money, you have got the booming population, you have got all the services. I am not saying you have; I am saying this is the perception that people outside the greater Metropolitan Toronto area have of this part of the province.

My question to you is: Are lottery funds really that important to you?

Mr Lohuis: In my community I could categorically say yes. The mayor, Mayor West, is known as a financial conservative. We go through rigorous procedures before any project goes ahead. Often evidence of community support and a kind of a three-party or some times even a four-party arrangement is required, where private sector funding, provincial funding and other service support is required before a project will go ahead.

In our case, I think, we have successfully used funds to lever other funds out of private sector sources or the other actors in the community. We are certainly very afraid of the ability for us to mount any kind of effort. With our tax base right now, a one per cent increase only gives us \$40,000 extra on our tax. We cannot even float debentures past \$5 million and successfully service them with our regular budget. So I think we are scratching for any available source of income, any available volunteer efforts, to reach our end. The development pressures do not cease. I think the people here are a very hard-working group in an ever-changing environment. To accomplish that, we have to be perhaps even more inventive in using the funds that are given to us.

Mrs Haist: I would like to respond to that as one of the, at least perceived, richer municipalities: the town of Vaughan.

We are at the point now that we have opened a number of facilities just over the past two years. The demand is so great on our facilities that we are always playing catch-up. We have to do registration for all of our programs by lottery because the lineups were 12 hours long. People were fighting and all these bizarre things were happening. So we have gone to a lottery system.

We still have, in aquatics, for example, over 500 people on waiting lists at one pool every season. So the participation rate is wonderful because of the healthy lifestyle and all the stuff you have heard. It is wonderful but



what is happening in the towns of Vaughan, Markham and others is that young families are moving into our area. They are very participative. They love to participate. They have large families. It is not unusual to see three, four or five children in our participating families. The parents are young, they want to participate and so on. So in response to your question about needing lottery funds in the town of Vaughan, you will notice we spent \$49 million and I am optimistically projecting that we will spend another \$17 million. We need to build more facilities to keep meeting the demand.

I am fighting for funds with firehalls, libraries, sewers, roads and so on. All that money, the lot levy money and the parks reserve money is very simple for council to allocate to other projects. If I have a lottery-funded grant to assist it, I have a much better chance of getting the pools that we need or the arenas that we need and that kind of thing. So certainly we need the money now more than ever. We have only received a grant on one project. That \$1.3 million was one facility which is under construction right now. In the last five years there have been no other capital grants in the town.

Mr Laughren: I can tell you it has been tough up to now and now you are going to be competing with hospitals for that money.

Mr Reycraft: Your brief mentions the Development Charges Act, Bill 20. Do all of the municipalities in York region charge lot levies for recreation purposes?

Mr Wigglesworth: I think it is fair to assume that, yes.

Mr Reycraft: Can you indicate to me how much of the 1987-89 capital program might have come from lot levy charges; half, three quarters, all?

Mr Wigglesworth: Speaking for the town of Markham, all capital funding in the town has been paid for by lot levy funding since 1974. We have not issued a debenture since 1974. So not just parks and recreation facilities, but all capital works in the last 15 years have been paid for through lot levies in the town of Markham. I think that is fairly consistent, certainly in the municipalities in southern York region. So the only non-lot levy funds in the town of Markham would be if we happened to get any capital grants in the province.

Mr Friedberg: All our new capital expenditure is through lot levies and that is why the bulk of it is coming in the next three years. The bulk of the population is moving in now and the bulk of the lot levies are coming now. The capital replacement that we do comes from current funds. The retrofitting of facilities all comes from current funds. The new capital comes from lot levies.

Mrs Marland: May I have a fast supplementary? Are your lot levies at the stage of registration of the plans or the building permit?

Mrs Haist: Ours is at registration of plans.

Mr Wigglesworth: Ours is at registration, but payment is based on a percentage of building permit applications. It does not get to the point of one building permit—part of the fee. It is certainly in blocks—a major portion of the subdivision.

Mr Reycraft: Do you know if any of the municipalities in York are using general revenues, mill rate revenues for new capital construction?

Mrs Haist: I believe King township is using theirs. Sorry, there are a few others—Georgina, East Gwillimbury and Whitchurch-Stouffville. So certainly the smaller towns and townships are still doing that.

Mrs Marland: Mr Wigglesworth, I was really interested to hear your comments about the town of Markham. The point that you made about the benefits to the provincial economy is so valid when you have a town like Markham and a region like York with phenomenal growth. I compare it to my city of Mississauga and the region of Peel, which has a very similar, if not a greater, percentage of growth than the region of York. It is a very valid comment that there is a tremendous contribution to the overall economy of the province, and therefore the growth of everyone in an economic sense. Has the region of York contributed to capital costs to any new hospitals in the last five years?

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Mr Wigglesworth: Yes, a substantial amount. I cannot recall the amounts. I believe over \$20 million went from the region of York to the new Markham-Stouffville hospital and I believe the region also made a substantial contribution to the latest phase of the hospital in Richmond Hill. Certainly regional capital funds are coming to hospital construction in the area.

Mrs Marland: The sad commentary is the fact that there is another example of funding on the backs of the local property taxpayers that which is a provincial responsibility. Certainly the provision of health care and health care facilities is a provincial responsibility. When those local taxpayers in the region of York, as they do in the region of Peel, have to pay for the capital costs of the construction of hospitals, plus—in fact, in the region of Peel we have even paid for a CAT scanner. We are now getting into paying for equipment within those hospitals on the property tax base, which was not the original intent of the Ontario government, at least not prior to 1985.

When you are stating the concern about the programs that fall into culture, physical fitness, recreation and sports, you must also be recognizing that in Bill 119, even though there is no guarantee for those areas that you are expressing your concern about, there is also no guarantee in the wording that there will in fact be moneys flowing to the operation of hospitals; not the capital construction of hospitals but the operation of those hospitals.

You mentioned the new lot levies. I assume you opposed those lot levies, did you? I know that the Association of Municipalities Ontario opposed lot levies, so I assume that you did. You are speaking on behalf of the people you represent on a number of areas of concern. What you are doing is saying to the provincial government: "We don't agree with lot levies. We don't agree with lottery funds being used for either/or but with no guarantee to either hospital operations or recreation and culture."

Mr Lohuis, when you talk about double-digit tax increases as well as the lot levies for school funding, the people who are moving into York region are being doubly penalized. I think this Ontario Liberal government should be looking very closely at that since the region of York is one of the fastest-growing regions in the province. Certainly we in our Progressive Conservative caucus this afternoon appreciate the fact that you are here speaking on behalf of those municipalities you represent in the region of York.

Mr Callahan: Just briefly, you have talked about a certain percentage or fraction of the funds being available for sports, recreation,



culture and so on. How would you propose to apply those funds? Would it be based on the bigger city getting more, or what? What is your plan of how you would instruct the government, if that were to take place, on how it would deal with applications from municipalities?

Let's say they got 100 in from Toronto. Should Toronto, because it is bigger than Markham or Richmond Hill, get 100 of those approved or 90 per cent of them approved? Do you see what I am getting at? Have you thought about that?

Mr Wigglesworth: Yes, I have. Quite frankly, I think there are enough funds either through lottery funds or to return a share of sales tax money, income tax money that these specific projects generate. I think there is enough money to fund all.

Mr Callahan: For the benefit of my hypothesis, let's say that you just cannot look at it now, if that is the case. You have got to look at it down the line because you are asking for something to be put into legislation, and it may not be our government. It may be, God knows, anybody's government that you may have to apply to to get those moneys. What I would like you to do is tell us, hypothetically, if there was not enough, what would be the formula? How would you instruct the government to channel the moneys?

Mr Friedberg: Presently, through the various ministries, both the Ministry of Tourism and Recreation and the Ministry of Culture and Communications, the needs assessment program is such that that would not stop the 100 Toronto applications versus the two from other places. It assesses the applications on the basis of needs, so a smaller municipality—I am using the smaller municipalities in our region—has the same needs on a smaller basis than the larger municipalities have on a larger basis. The mechanism is there now, and while sometimes we are not in agreement with that mechanism, it is there and there is a needs assessment that has to be done. There are feasibility studies that have to be done.

Mr Callahan: Are you saying then that what is happening now is there are applications being turned down simply because of lack of money?

Mr Friedberg: Yes, I think the latest statistics out of the Barrie office of the Ministry of Tourism and Recreation, and that includes York region as one of the areas, are that approximately 16 per cent to 20 per cent of the applications that were submitted were approved. That is just out of the Barrie office.

Mr Callahan: What you are saying then is that they are not looking at exactly what you are suggesting as the way to look at it, as in my hypothetical scenario.

Mr Friedberg: They are telling us that is what they are doing.

Mr Callahan: How do you know that is not what they are doing?

Mr Wigglesworth: I think the basic problem is that there is not enough money allocated in the pot in any budget year towards parks and recreation and cultural services. That is the reason that within the last two years the southern York region municipalities, Richmond Hill, Vaughan and Markham, made applications to construct an arena facility. All of these arena facilities met all of the criteria.

At the same time, the three municipalities in the northern part of the

region applied for the same thing. All three applications in the northern part of the region were approved and all three applications in the southern part of the region were turned down, strictly because of the lack of funds in the overall budget.

Mr Callahan: It seems to me that if you are correct it is not a very significant way of doing something. But it also strikes me that in this hypothetical scenario I have given you with limited funds, obviously the same sort of procedure is going to have to be followed as suggested by the gentleman on the end and you get the same result.

You also get the fact that by having put yourself into a category of one third, or 50 per cent as my municipality suggested, the government of the day can say to you, "Go away, you got your 50 per cent or you got your 33.3 per cent and there is no more money there for you."

Mr Wigglesworth: My problem is one of trust of the government.

Mr Callahan: I appreciate that.

Mr Wigglesworth: The government is asking us now to trust that it will make adequate funds available in the future. It is not part of a legislation where a minimum percentage or a minimum amount of money will be made available in any budget year. You are asking us to trust the government. Frankly, this is the government, the present Liberal government, that it is following the procedure that was started by the past Conservative government—

Mr Callahan: Is that what causes your fear?

Mr Wigglesworth: —whereby you have refused to allocate the funds that by law were supposed to be allocated for culture and recreation facilities. If we had a problem in the past where actual legislation has been bypassed, my worry in the future is, if it is not even in the legislation, what chances do we have to receive a fair and equitable amount of money?

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Mr Laughren: Well said.

The Chairman: I think that would be an excellent place for me to thank the four people at the table very much for an excellent presentation. I also want to thank the representatives of the five smaller municipalities. I have some empathy for you. I represent Halton North in the Legislative Assembly, and often I am sitting in the back row listening while the guys from the south present their arguments. So welcome to the hearings as well. Thank you very much, all of you.

Our final presentation of the afternoon is on behalf of a group called the Toronto Group—Women Active in Fitness, Sport and Recreation. Shirley Marsden, the chairman of that group, will be making the presentation.

#### TORONTO GROUP—WOMEN ACTIVE IN FITNESS, SPORT AND RECREATION

Ms Marsden: Jill Le Clair has come with me. Her name is also on the bottom of our letter as one of the officers of our Toronto Group. We indicated at the bottom of our letter other positions with which we are involved so that you would know that we are not officials of a provincial sport association. We are a group of women from many diverse areas who are interested in promoting physical activity for girls and women in Ontario.



The Chairman: I would like to read into the record that Jill Le Clair is a teaching master at Humber College in Toronto and Shirley Marsden is executive vice-president of the Sports Federation of Canada.

Ms Marsden: That is correct.

The Chairman: Do you wish to make a formal presentation?

Ms Marsden: Yes. We are appearing to present opposition to the change in the legislation of Bill 119, which diverts the lottery funding that was initially allocated for culture and recreation. While I do not think anyone can say that one does not support hospitals and education, we look at physical activity as preventive health care, and the fact is that the more people are engaged in physical activity, usually the better is their health, thinking of lifestyles. All of this I have written in the letter, because I think it is redundant for me to just read. You have the letter to read.

The Chairman: Something you should understand before you pass up the opportunity to read it into the record is that we are being taped in both French and English and we are on television. This is just put in as an exhibit, which is an appendix to all of this, so I would suggest you may want to read it.

Ms Marsden: Certainly. Therefore, I shall begin to read.

We are appearing to present opposition to the proposal of the Liberal government to reallocate lottery funding that had been initiated to provide special funding for culture and recreational activities in the province of Ontario.

We know that in the past there were large surpluses created from this source of funding. Culture, sport and recreation have received generous funding over the years from the source of lotteries. We are not against lottery support for hospitals and education. Everyone understands the importance of these institutions for society as a whole. However, funds have been stretched further and further. Funding has not kept pace with the needs, not even with the factor of inflation. The need to continue and sustain funding for culture, sport, fitness and recreation is essential.

These programs are important not only in the direct results from their operating, but also in the long-term contributions to health and fitness of the whole society. Supporting physical activity is a measure of preventive health care. It is no longer possible to separate out lifestyle from specific medical health consequences. Our interest is not merely in appearing for a single provincial association, but a desire to support physical fitness in the context of wellness as a lifelong goal.

If lottery funding is diverted, we are concerned that the programs could be seriously damaged and it will be thought that the government of Ontario does not have a serious commitment to long-term support for preventive health care issues.

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The Chairman: Thank you very much. Questions or comments from the committee?

Mr Laughren: Thank you for your presentation. I wonder if it struck you as strange as it struck me that everyone agrees that leisure activities—recreation, sports, culture—represent a form of preventive health

care, and at the same time, this new bill, Bill 119, is going to have those activities competing against hospitals; not against highways or education, but against hospitals. I found it totally bizarre that what the government would select to compete against preventive care was curative care in the hospitals. I wonder if you saw anything weird in that, the way I did.

Ms Le Clair: Yes, we were struck by the curiosity of that also, and I think it is part of a changing attitude to health care. In the past it was interventionist and post-illness, as it were, and we have a situation now where the preventive approaches and lifestyle issues in prevention in medicine have a lot of—what is the word?—token commitment. But I think there has not been a switch in the health system or even in how doctors bill, to seriously say, "It is just as important to sit down for a half-hour once a week to get somebody off smoking as it is to do a more dramatic thing such as save people's lives through transplants." We found it very curious that there was not a commitment that the two are together when they are one half of the same problem.

The other point we felt was important to make, apart from the health issue, was that very often recreational programs that are provided by municipalities provide opportunities to those who would not otherwise be able to have access to those particular activities in terms of income and particularly with both parents working.

Also, with the momentarily expected new policy on women and sport in Ontario, it would be nice if the government were a leading actor in setting a public stage for the encouragement of girls and women to have access to recreational programs. I know the policy is not down officially yet, but we feel it is important that the government be seen to be an active force in bringing increased opportunities.

Mr Laughren: I think it was the city of Brampton that made the argument, I thought eloquently, about municipal recreation programs servicing people who would not otherwise have access to programs. I think that was Brampton.

The Chairman: Yes, the first presentation this afternoon.

Mr Laughren: Yes, they did a wonderful job. Finally—because I suspect other members want to talk to you too—I hope you will not let anyone try to sweet-talk you into believing that nothing has changed with this legislation, because I want to tell you that the legislation has changed. The previous legislation did not mention hospitals. This bill very clearly says that it either goes to culture, recreation, sports and fitness or it goes to hospitals. It is a direct competition now. It never was before.

Ms Marsden: I am sure there have been other people from sport here talking to you who have highlighted the fact that there are significant programs being operated in Ontario right now for athletes that are coming from lottery funding: the Best Ever and the elite athlete assistance programs. It is direct lottery funding that is going to those programs in Ontario. It is important that those programs be sustained.

Mr Laughren: As long as I am assured that you will not be sweet-talked.

Ms Marsden: No, no, because it is like being against motherhood to say you are against a hospital. You cannot. The communities need hospitals,



but there has to be an equitable distribution, to think about the needs of people. As Jill has said, many families could not engage in recreation if they did not get it through the municipal areas and the programs that are provided.

Mr Reyecraft: I want to assure you, Mr Chairman, that I will not attempt to sweet-talk anybody into anything. I do want to say that as I listened to Mr Laughren's little speech about the significance of including hospital care in this bill, I thought at first that I was beginning to hear support for an old bill, Bill 38, which was allowed to die on the order paper. It removed all designation for lottery profits and simply directed that they be placed in the consolidated revenue fund and allocated in whatever way the government chose.

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Interjection.

Mr Reyecraft: However, I understand now that I should not interpret that little speech as being support for Bill 38.

The democratic principle we follow in this society is that we elect a government to determine the appropriate level of taxation and to decide annually, through the budget process, how the tax revenues are to be allocated to areas like health, education, community and social services, and culture and recreation.

In essence, what Bill 119 does is allow the government to just direct lottery profits into three of those areas, which are essentially culture, recreation and hospitals, although there is also the Ontario Trillium Foundation.

Ms Marsden: But it does not state what percentage, does it?

Mr Reyecraft: It does not, and I guess what I want to ask is what is wrong with that process that has been followed as long as we have had elected governments in this province and in this country? What is wrong with allowing that process to be continued?

Ms Marsden: There are other sources of lottery funding too. Why can the funding that was designated for culture and recreation not continue, and you can use other sources of lottery funding for hospitals, and not just say lottery funding? There was specific lottery funding that was designated for culture and recreation and that is the lottery funding I am referring to, because we have many more lotteries now than we did when that was begun for sports and recreation.

Mr Reyecraft: Are you suggesting, then, that only the profits from some lotteries should be directed to culture and recreation?

Ms Marsden: I am suggesting that the profits they had designated strictly for culture and recreation should go to culture and recreation. I am sure you are aware that there were large surpluses built up that were never even diverted into use.

It is the same with education. We could also talk to you about how we think education should be supporting physical activity, compulsory physical activity, and that money should be going there to help the young people become more physically active. If you want to put money, when you are talking about

health and education, if it is going into physical activity, we would be all for it.

Mr Reycraft: I think we all agree that all of these things are essential if any society is going to remain progressive. However, there is no doubt that no matter what sector of society you want to isolate, I am sure it would tell you the public funding it is receiving is inadequate. There are no guarantees for those other sectors from year to year, as the Treasurer (Mr R. F. Nixon) has indicated on a number of occasions. The only guarantee that exists when he starts out in the budget process each year is that there is a commitment to pay interest on the accumulated debt of the province, and beyond that determinations have to be made.

Ms Marsden: I think he announced recently that he had \$600 million more than he thought he was going to have this year, did he not? In terms of Mr Nixon's announcement, the Liberal government ended up with a surplus greater than it thought it would have.

Mr Reycraft: I do not think it is quite a surplus that they were talking about, Ms Marsden. However—

Mr Fleet: I did not think we were that efficient.

Ms Marsden: I know you cannot believe everything you read in the newspaper, but I believe I read it in the newspaper.

Mr Reycraft: I do not think the newspapers were wrong. The tax revenues the province has received up to this point are indeed higher than what was projected. However, the budget projected that there would be a deficit in the annual budget. Expenditures were slightly higher than total revenues. This will help to reduce that.

Ms Le Clair: I think one of the things we wanted to stress very much is that if health costs are becoming such a huge segment of the provincial budget—and this is what one is led to believe by reading the papers: It is increasingly becoming more and more expensive. What we wanted to support by coming here was a revamping of looking at where money is allocated and having a broader view of the definition of what health and fitness are.

The old-fashioned definition of medical prevention and lifestyle and recreation is really artificial and is not in the interests of the general public and not in the interests of children. I think that is the point we really wanted to make very, very strongly to you, which means looking at all different aspects of the health care system as well as the recreation system.

Mr Reycraft: I recognize the point you are making and we agree completely. The statement in your brief supporting physical activity as a measure of preventive health care is accurate; no question about that. We have indicated that with the throne speech this year.

Mr Laughren: You are still proceeding with the bill.

Mr Cureatz: I appreciate your presentation. I am always astounded, in looking over the list of presenters, by the number of groups representing different activities coming forward. Mind you, we have had various cultural activities that seem to fall in the same category, but in looking over the last two weeks' agenda, I think your group is distinct. I cannot imagine having—unless I am totally wrong—a similar group coming forward.



The point is that I appreciate that, because, as I emphasized in previous deliberations, everyone is saying the same thing. Even on Sunday shopping, which I like to bring up now and again, you have some people who would be supportive of it. But with the kaleidoscope of organizations coming forward and everyone saying the same thing—I was just speaking with my colleague, as Mr Reycraft was mentioning, and I said that one thing—

Interjection.

Mr Cureatz: No. I am talking to the good old Liberal backbenchers now. I will give them the benefit of my learned advice. One thing I have learned, if I had to do it all over again, is that if there is some crazy thing the government is coming up with, speak up. You guys are sitting there—Mr Callahan: a group from his own riding. In your heart of hearts, if you think this is so wonderful, that is great, go with it, vote for it and away you go. But with the number of organizations that are coming forward, you should just go back to your caucus and say: "Look, we are offending an awful lot of people out there from an awful lot of backgrounds. Why don't we make some accommodation?"

I appreciate you coming forward, because the distinctness of your group indicates to me that there are just a lot of people out there. If you could give a list of names from your group who are in support of our position to the committee, I would appreciate it.

Ms Marsden: Yes, we will do that.

Mr Fleet: First of all, I had the opportunity to hear your presentation by virtue of watching it on television; I was elsewhere in the building. I appreciated the philosophy you have expressed and I concur with that. I suppose I have a fairly good sense of the commitment to sport, fitness and recreation that at least one of your members has, Mrs Marsden. I understood fully the benefits for families.

Ms Marsden: I have known David Fleet, I guess, since he was nine years old.

Mr Fleet: And I certainly spent a fair time with recreation, tearing up the front lawn on—

Mrs Marland: You should have done a better job.

Ms Marsden: I was not his parent; I just knew him as a neighbour.

Mr Fleet: I have a strong sense of the groups that come forward who share in that essential belief that that is what is important. Notwithstanding the worst fears of Mr Laughren or others, this bill does not amount to a cutback, other than trying to rectify the problems that have gone on before, which we inherited. The reality is now that under the current legislation, there is no guarantee, although that appears to be what groups were sold on some 10 or 12 years ago.

The reality is that the money that was so-called surplus was spent on hospitals, just as the bill proposes, or on whatever else you choose to say it was spent on; it does not really matter much now. The reality is that the current bill does not take away from the commitment the government has to its overall spending level. It is not just lottery funds that matter; it is also other funds available to the government. You have heard some of the philosophy of that from Mr Reycraft.

I guess the only other thing I want to mention specifically, because you had made reference to funding related to the factor of inflation, is that the information this committee has received indicates that in the last five years the funding from the Ontario government overall for culture and recreation matters has been at twice the rate of inflation.

1700

Ms Marsden: Really? For 10 years, I was an executive director of a provincial sport association, and we were flat-lined in our operating funding, certainly since 1984, every year. So I do not know about it keeping pace with the rate of inflation.

Mr Fleet: This is one of the problems the groups have been coming forward and telling us about, and one of the reasons I think these hearings are very useful. With individual programs, some presumably have done better in some areas than in others, or some types of groups than others. I do not know all the programs, so that is why it is helpful to hear that some have been flat-lined and they think more funding would help more people and it would be a more effective way of spending the money. That is important for the government to hear and for this committee to hear.

So I appreciate hearing that, and we have heard that kind of comment from other groups, but I think that kind of problem does not go to the heart of this bill. I guess that is the key thing, although I can appreciate the concerns, the desire for stable funding, increased funding, all those things. I understand and I think other members around here understand, but I did very much appreciate your presentation and the time you took to come here and tell us of your concerns.

Ms Marsden: Although it does not state what the percentage is, I think probably the concern for culture and recreation groups is that the lotteries may end up being 80 per cent health and 10-10 for culture and recreation, and I think those are really serious concerns.

Mr Fleet: If the concern is that the new legislation would permit that and the old legislation would not, I think the short answer is that it could happen under the current legislation. What we have done with this bill is try to rectify essentially the accounting process. The overall funding level of both the lottery funds and the nonlottery funds has gone up consistently.

The Chairman: In closing, before I thank you, I would like to direct a question or two to Jill, if I may. I am intrigued by the fact that you are a teaching master at a community college, and I realize you are here representing a women's group that is active in fitness and recreation. Is your field in the recreation area as a master at the college?

Ms Le Clair: I teach a sociology-of-sport course in the human studies division, but we do have a recreational leadership program at Humber College. I am not directly involved with it.

The Chairman: We have had a variety of groups come before us, performing arts, fine arts and all the rest. I think these areas are part of the teaching mandate of the community college sector in large part. There are two things that concern me. First, in your opinion, do you think the allocation for staff funding in these areas is fair compared to other areas like computers and things like that? Second, is any of the funding specifically geared to women's groups?



I am an educator of 30 years, and in my field of math we had to really concentrate in the formative years on encouraging the girls to go into mathematics beyond about grade 10. Even though they were very capable, they would not take the necessary courses in order to be able to go beyond grade 12 or grade 13, whichever course ~~they~~ happened to be in.

Ms Le Clair: As far as I know, your experience is pretty typical. There have been individual faculty or individual teachers at the high school, college or university level who have gone out on programs to promote awareness, but as far as I know, there is no general policy or program provincially to encourage that kind of thing, which obviously would be wonderful.

As far as the budget allocation is concerned, I am not sure of the exact figures. I am afraid I could not give you any on those. One thing I do know: with the current move in terms of rationalizing the colleges, as you probably know, there are moves to look at programs at all the colleges and see if some programs should be closed down and others amalgamated, because it has been over 20 years and it probably is a good idea to have some rationalizing. This is causing great anxiety on the part of faculty, because what would that mean in terms of jobs?

There is also another thrust, that is, to use the Thatcher term, of the privatization of education. If you are going to look at programs and say they have to be profitable on their own, this can be worrisome, because programs that might be very worth while, like recreational programs, and that are sort of very hot politically—programs on sexuality—people are less likely to support and encourage, because they might not bring in as much money as something that involves industry, perhaps electronics or computer programming or something like that, that are easier to market and easier to make more profitable. So certainly there is a great deal of concern in both those areas.

The Chairman: One of my concerns continually, because I worked in this area for about 25 years, is that unless this is accepted to be what it is, and it is one of the biggest growth areas in our province because of the leisure time we have available to us, and accepted from an economic point of view instead of from a fringe area point of view, we could be in serious difficulty. So your words with respect to coming here and making sure that the funding is based properly are very close to my heart, anyway, because I would like to see the lottery money myself put into the general account and these valid programs be funded in the same way everything else is funded, not tied into something like lotteries.

Ms Le Clair: If I could put one footnote to that, as well, that I have seen from my own personal experience. Sandy Straw was one of the people we were hoping would be able to come today. She is an area manager with the city of Toronto in the recreational program, and is always looking for staff to work on summer programs in the parks and so on. I thought: "Wonderful, I'll pass out the little city of Toronto brochures on positions available"; it sounds like I am off topic, but I am not. To my surprise, many of the students I handed them out to in my classes said: "That's wonderful. How nice to work in parks and rec. But there isn't enough money."

I think that is another problem in terms of attracting people to that area and getting diplomas and training in that area. It is like child care givers. If they going to go into the program and find they are going to make \$14,000 a year, they are not going to go. So that is the other half of that problem, from the students' point of view.

The Chairman: I think we could go on for quite a while talking about this. We are obviously interested, but I am going to have to thank you very much for your presentation. I hope you continue your interest in the area. Thanks for being here.

Ms Marsden: Thanks for the opportunity.

The Chairman: Is there any further comment or question by the committee before we adjourn until tomorrow morning at 10 o'clock? We are adjourned, then, until 10 o'clock tomorrow morning.

The committee adjourned at 1707.





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STANDING COMMITTEE ON GENERAL GOVERNMENT

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989

THURSDAY 21 SEPTEMBER 1989

Morning Sitting





STANDING COMMITTEE ON GENERAL GOVERNMENT

CHAIRMAN: Elliot, R. Walter (Halton North L)  
VICE-CHAIRMAN: Faubert, Frank (Scarborough-Ellesmere L)  
Bryden, Marion (Beaches-Woodbine NDP)  
Callahan, Robert V. (Brampton South L)  
Charlton, Brian A. (Hamilton Mountain NDP)  
Cordiano, Joseph (Lawrence L)  
Cureatz, Sam L. (Durham East PC)  
Fleet, David (High Park-Swansea L)  
McLean, Allan K. (Simcoe East PC)  
Ruprecht, Tony (Parkdale L)  
Sola, John (Mississauga East L)

Substitutions:

Farnan, Michael (Cambridge NDP) for Ms Bryden  
Laughren, Floyd (Nickel Belt NDP) for Mr Charlton  
Marland, Margaret (Mississauga South PC) for Mr McLean  
Reycraft, Douglas R. (Middlesex L) for Mr Ruprecht

Also taking part:

Pelissero, Harry E. (Lincoln L)

Clerk: Carrozza, Franco

Clerk pro tem: Mellor, Lynn

Staff:

Anderson, Anne, Research Officer, Legislative Research Service

Witnesses:

From the Ontario Registered Music Teachers' Association:  
Knautz, Shirley, President

From the Association of Library Boards of Ontario:  
Mowbray, Gwen, President  
Cornwell, Betsy, Secretary

From the Ontario Federation of Symphony Orchestras:  
Riley, Jean, Member, Board of Directors  
Alexander, Andrea, President  
Webster, Betty, Executive Director

From the Grimsby Public Art Gallery:  
Rashleigh, Mary, Director  
Thompson, William, Member, Board of Directors  
Cannon, Janet, Curator

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Thursday 21 September 1989

The committee met at 1007 in room 151.

ONTARIO LOTTERY CORPORATION ACT, 1989  
(continued)

Consideration of Bill 119, An Act to amend the Ontario Lottery Corporation Act.

The Vice-Chairman: We have a quorum. We will consider Bill 119, An Act to amend the Ontario Lottery Corporation Act.

Just as a brief explanation, I am in the chair at the moment because the effective date of the appointment of the chairman is being determined and when it is determined we will resolve the whole situation related to the chair.

I would like to welcome the first delegation, the Ontario Registered Music Teachers' Association. Shirley Knautz, would you like to introduce the other ladies present.

Mrs Knautz: Yes, it is K-n-a-u-t-z. I believe the spelling was down wrong.

The Vice-Chairman: Yes, it is misspelled on this list. You can sit, if you wish. Make yourself comfortable.

Mrs Knautz: On my right is Beverley Ann Devlin. Mrs Devlin is a provincial council member and a past president of the central Toronto branch. She is also a high school teacher for many years, having taught music in high school in Ontario and British Columbia.

On my left is Yolande FitzGerald. She has been a professor of music at the University of Saskatchewan. She is now residing in Ontario where she teaches music. She is also a past president of an Etobicoke, Ontario branch of the Ontario Registered Music Teachers' Association and is executive director of the Federation of Canadian Music Festivals.

The Vice-Chairman: Thank you. If you would like to proceed, you have 30 minutes for the presentation.

ONTARIO REGISTERED MUSIC TEACHERS' ASSOCIATION

Mrs Knautz: I will begin by telling you a bit about our organization, how we came into being, what our philosophy is and how we would really like to speak against Bill 119.

The Ontario Music Teachers' Association was formed in 1885 and later reformed in 1936 and incorporated by the Ontario government in 1946 as the Ontario Registered Music Teachers' Association.

We are an association from various disciplines of music throughout the province of Ontario. Our membership is approximately 1,300 highly qualified



music teachers. Membership requirements are an associate diploma in performance or teaching and/or a university degree in music or equivalent from a recognized international institution. A person must have passed pedagogical exams and must show proof of successful teaching to become an active registered music teacher.

We also provide a prediploma membership for those who are presently working towards a teaching diploma. Membership in our organization is granted to the successful teachers by a board of examiners.

Throughout Ontario we have 39 branches, divided up into nine geographical zones. By obtaining membership in Ontario, we automatically become a member of the Canadian Federation of Music Teachers' Association. Each branch is run autonomously, but must adhere to the Ontario Registered Music Teachers' Association bylaws. I have copies of some of these things if anyone would like to examine them further.

Our Ontario provincial council is made up of a representative from each zone who is elected to council. From these council members a president, first vice-president and second vice-president are voted into position. We have a treasurer, registrar and a secretary who are dedicated members of our organization who we pay a very small honorarium to. We pay them a very small honorarium because we just cannot afford to pay them anything more.

In Toronto, we have a telephone secretary who answers calls from the public and is paid a very, very nominal amount by the branches in Toronto. Each person is assessed 50 cents or something like that to cover the cost of helping to subsidize this secretary. Her workload is tremendous: 178 calls in about three days at the beginning of September. These employees use their homes as our offices. We desperately need assistance in these areas.

Our provincial council meets five times a year. The focus of our council is to serve as a governing body and provide leadership in setting policies and searching out ways of serving our membership.

We hold a provincial student competition and young artist competition once a year. We also hold a competition for budding young composers. We organize a young artist tour throughout Ontario for the winner of our young artist competition. We publish three magazines yearly called Notes for our members. These are sent out to our members; every member receives one. We hold an annual convention and present awards to our teachers and branches. We have a public relations person who looks after publishing our professional pamphlets and encouraging membership.

We have a workshop chairperson who looks after all the workshops throughout the province. The workshops that are held are a very valued aspect of our organization. I will refer to this program later.

All these positions are carried out on a volunteer basis. The majority of our teachers are private teachers, although some are employed by school boards or teach at conservatories. They all offer private music teaching. The purpose of our organization from its inception—as I mentioned, branches were first formed in Ontario in 1885—was to promote a high standard of music education in local communities. Branches conduct workshops and master classes for teachers as their professional development.

Seminars and performance opportunities are made available for students. Many of our teachers have been the founders of successful music festivals in

their areas and are the backbone of arts and cultural groups in their communities. We feel proud of the many teachers who volunteer their time, effort and energy in promoting our Canadian culture through expertise in their areas, leadership and fund-raising.

One of the costs we are not able to cover is our workshop program. For the last several years, we have applied for a grant from the Ontario Arts Council to help us cover this project. On surveys sent to our teachers in 1985, workshops were rated number one in importance for teachers. While we do, of course, charge admission for everyone attending the workshops, it does not begin to cover the total expenses of renting a hall, renting an instrument and paying the clinician's fee and expenses.

It is beyond reason to expect our artistic clinicians to work for less than other professionals of high calibre. However, many in the artistic field do work for much less. By hiring them as clinicians, we are allowing them to work and be paid in their artistic field. Our clinicians cover all of the arts, with the exception of perhaps visual arts. Although the relationship of art and music has certainly been stressed and studied, especially at our baroque workshops, dance too is a very important part of music and understanding the dance forms helps a good performance of music. There are several dancers listed on our clinicians' list.

Every year the provincial president—I am now serving my second term—applies for a grant from the Ontario Arts Council to allow us to hold workshops throughout the province. This money comes from lottery profits and is for sports, recreation and culture, as I understand it. The grant is applied for in July and we do not hear until about October, after our workshop program has started, whether we are going to receive any money at all.

We never receive the full amount we ask for. Our last year's grant was accompanied by a letter to the effect that we really should not count on this money, that it may not be available at another time. Our concern as teachers regarding Bill 119 is that up until now, when this money was available, we still received only a percentage of what we had asked for, which in no way covered the full cost of our workshops. As an organization, we have had to borrow money from our general operating account to meet the expenses of our workshop program. This grant's being made available to us is so essential for our workshop program to continue, to answer a great need for our teachers, especially in the more remote parts of Ontario.

If the wording in Bill 119 is changed to "may receive money" or if it is passed, then with not even receiving the amount we have already requested—and as I mentioned, what we do get is only a percentage—we have grave concerns that we will not receive anything. We, as private music teachers, have paid for our own education at no cost to the government. This now enables us to make a living and be self-supporting and contribute to the musical education of our youth, giving us a sense of cultural identity. Students from our organization have competed internationally and won many prizes. Angela Hewitt from Ottawa is a pupil of one of our Ontario registered music teachers, whom I am sure we have all heard or maybe seen in person.

1020

Looking towards the 1990s, we see many changes taking place in our society. With the influx of wealthy Asian immigrants entering Canada and settling in Ontario, music education is a high priority on their list of what they are looking for in the education of their children. Europeans have also



had this philosophy. They consider music education essential. We have to have progressive, well-educated teachers to preserve, maintain and be able to educate their music students. The importance of music in the development of a child's brain and in the maintenance of a healthy balance for adults is a topic I feel could be given some thought by our government.

In the realm of sports, exceptional students are selected for special training and outstanding success is rewarded and awarded. At the same time, ordinary training and participation are not only encouraged but supported by government, with private and government funds made available for these sports activities. Music, unfortunately, does not enjoy such balanced consideration. All too often the star syndrome takes over, blinding everyone to the needs of amateur musicians, audiences and children.

The impact of recent brain research on education, and music education in particular, is outlined in *Le cerveau et la musique*, a publication by Jean-Paul Despins in Quebec, published only in French unfortunately, in 1986. It explains far-reaching implications about the importance of music in our mental development and continuing alertness. The province of Quebec is the only one that recognizes the significant position music occupies in the lives of its citizens with its government-supported conservatories and paid music teachers.

Surely the fact that so many private music teachers hold down one or two part-time jobs in order to allow them to teach music and support themselves shows a dedication and commitment on their part. Leading performers and musicians have all obtained private music teaching. Without private training, they would not have been able to reach their goals and successes. Our scholarship funds are done through fund-raising at the branch level and we have solicited scholarships at the provincial level through corporate donors. Here again, we are left holding our breath that these scholarships will come through to aid our students in a small way.

Our jobs of treasurer and registrar have always been combined, but we feel these two positions should be separated as more and more work is involved and as are more and more young people, we hope—there seems to be quite an interest in music teaching among young people at the moment—wish to join our organization. Here again, we do not have the funds to pay a third employee. An 800 phone line would be a marvellous asset to our organization. Instead of cutting back on funds made available by government, we would certainly like to be included in funds made available for small businesses relating to music education, and as an organization be able to apply for this. As our new teachers are starting up, perhaps subsidies and assistance to them, in being able to allow them to buy their instruments and rent studio space, could be available.

In the long-term projection into the 1990s, would it not seem more feasible for government to budget especially for hospitals and leave the lottery fund set up to help sports, recreation and culture out of this money? Perhaps even a separate lottery fund could be set up that would subsidize only hospitals and give the public a choice of which lottery they would like to support.

Could a forthcoming amount be allotted to each needed organization as working capital and granted on a yearly basis over a five-year, seven-year or 10-year period? In the case of our association, this would help us from an administrative point of view. Could there not be space available for permanent offices to be set up for those of us in culture and music who cannot afford a

permanent office? Could the Ontario government not make this available for any worthy music and cultural organization?

Up until now the relationship between the private music teacher and the Ontario government has not existed. We are simply a name on a piece of paper applying for a grant through the Ontario Arts Council. Then this past year we approached the federal government in an adversarial way against the proposed tax on music lessons. We feel that as music teachers, we can contribute much more to the culture of this great province by being recognized by government and working with government. Perhaps for free office space, we in turn could be responsible for planning a musical cultural event. Perhaps for every dollar that was allotted to us, we could match it dollar for dollar through fund-raising. We have many members who are highly qualified and could serve on the arts council board or maybe even be able to look into the possibilities of setting up music conservatories across the province under the direction of the Ministry of Education.

We as music teachers would like to put to rest the mystique that we are teaching just for something to do. We are dedicated, energetic, progressive people with a love of life, music and teaching who, when and if called upon, can rise to the occasion. We are quite willing to take an active role in being assisted and providing assistance. We implore this government to please realize the importance of music education. Could Ontario not become a leader in supporting and creating new musical talent for generations to come?

The Vice-Chairman: Thank you for a very thorough presentation. We have some questions or comments from the members of the committee.

Mr Farnan: Really, it is just a comment. First, I would like to thank you for your excellent presentation. I think you served the committee well by giving us the background to your association and the rationale and goals of your association. It puts it in a context for us. Many of the groups have been doing that.

I really just wanted to pass some information on to you at this stage, to let you know that what you are telling us has been reinforced I think by everybody who has appeared before this committee and I suspect by every group that will appear before this committee. To give you some idea of the strength of the focus and the message that is going across to the government, let me just tell you some of the groups that have brought the same message as you to our deliberations.

1030

We have had regional municipalities, municipalities and townships, indeed 228 municipalities representing 7.5 million people. We have had parks and recreation departments. We had the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario; this is a group you may be a part of, but it also includes federations, associations and umbrella groups of all sorts. Indeed, any one of these associations may represent hundreds of thousands of volunteers. We have had symphony orchestras; boys' and girls' clubs; art galleries; sports associations like hockey, wrestling and many, many others; theatre groups; opera and dance groups; library associations; historical societies; museum associations. Seniors: Older Adult Centres of Ontario and the Council on Ageing of Ottawa-Carleton yet to come; and others that will be appearing, the Young Men's Christian Association and boards of education.

The message is so tremendously supported across the province. I just



give you that. I suspect you already know you are part of a very strong and powerful voice, but by bringing it all together, I am also hoping to impress it upon my colleagues in the government, who may not have taken the time to collate the different groups and the broadness of the support. I hope your voice, together with the voices of all those others I have listed, will in fact eventually encourage the government to co-operate.

The very last part of your statement was something that appealed to me very much, because I think what you were saying to the government was: "Look, we want to co-operate with you. We want to be a participant in raising the quality of life by providing our specialty of music. We want to be a partner with the government, but we need government support to do this."

Indeed, I think the best way for that to happen would be for the government to honour the commitments that were made to culture and recreation and to give a guarantee of funding in this piece of legislation. Thank you again. We appreciate your presentation.

Mrs Knautz: Thank you for your support.

Mr Callahan: As Mr Laughren used to call me the silver-tongued devil, I say the same thing of Mr Farnan. You see, you have to understand the dynamics in this room. We are the government and they are the opposition, and what they try to do is to say that we are being nasty.

Mr Cureatz: You people make it so easy.

Mr Callahan: I am sorry you spoke up, Mr Cureatz, because I am going to have to go back into history now, very quickly.

Mr Cureatz: You are the ones who (inaudible) roofs on arenas, if I recall.

The Vice-Chairman: Mr Cureatz, you are on the list. You can have your time when your turn comes up. Mr. Callahan is now addressing the deputation.

Mr Callahan: You have to understand that as the law stands now, if the government withdrew Bill 119, you would have no guarantee whatsoever. You would be back into the days of the Middle Ages where, under the existing legislation—it is very interesting wording. All of the money goes into the consolidated revenue fund "to be available." Those are the words the former Progressive Conservative government used, and they meant nothing.

It meant absolutely nothing because all of the money went into the pot, and as we know, this notional surplus that everybody talks about—how do you think that surplus grew? It grew because the former Conservative government did not allocate funds out of the profits from the lotteries. That is the pre-history.

What we are trying to do here with this bill is to simply say we recognize that there are surpluses or that there are large sums of money from lotteries. In fact, the present bill does not prioritize, in the sense that the net profits are initially available for appropriation for the items—you got a copy of the bill, I guess.

Mrs Knautz: Yes.

Mr Callahan: —the items that are referred to in clauses 9(a) and

9(b). Fitness, sports, recreational and cultural activities and the Ontario Trillium Foundation have first call. I emphasize that. This is not my wording. This is from our research staff who work for all of us, not for one specific group.

They have first call on any lottery profits in the fiscal year. That is what the bill says.

There can be no initial appropriation for the operation of hospitals. In other words, hospitals cannot get their hands into the pot before sports and these other groups get their funds. "It is only at the end of the fiscal year"—and I am reading from a document that was prepared for us by our research people—"that money may be appropriated for hospitals. Any funds not appropriated in a given year for fitness, sports, recreation, culture and the Trillium Foundation (the net profits 'not so appropriated') 'shall be applied to...the money appropriated by the Legislature in the fiscal year for the operation of hospitals.'"

What in essence happens is that the money still goes into the consolidated revenue fund, but it is only at the end of the fiscal year that any money that has not been appropriated to these very worthy causes—and I think every member of the Legislature would agree that sports, culture, recreation and so on are mainstays of the makeup of this province and, in fact, probably assist people in terms of staying healthy, physically, mentally and so on. Any province, any nation or anybody without culture is really a body without a heart, so we all recognize that.

But what I am saying is that none of that money goes to the hospitals until the end of the fiscal year. What is left in the pot could be appropriated to hospitals. If we withdrew this bill and left you with the law as it exists now, then the government has a free hand. They can use those moneys for whatever they like. They can use them for roads, they can use them for—you name it, they can use them for that.

What this government has done is specify that if there is anything left over at the end, it is for hospitals. So I am sorry, but I just thought that should be clarified for you.

The Vice-Chairman: You have wound up right on the time allocation and I want to thank Mrs Knautz.

Mr Cureatz: Wait a minute.

The Vice-Chairman: I am sorry, but we have to proceed. We have other deputations. I will put you on as the first one.

Mr Cureatz: On a point of order: It is my understanding that in operating the committee, every caucus should have the opportunity—

The Vice-Chairman: True, but I cannot control the time that the members wish to consume.

Mr Cureatz: You do not have to. What you do is you take the watch off your wrist and put it in front of you. If you have six minutes, then there is two minutes per caucus.

The Vice-Chairman: With all due respect, I am ordering that it is the end of the deputation. No one has said it is two minutes per caucus.



Mr Cureatz: I am just--

Mr Farnan: If there is unanimous consent--

The Vice-Chairman: Okay; if you want, we will give you two minutes at the windup.

Mr Cureatz: Fine, that is all. Listen, I am very easy to get along with, but I just--

The Vice-Chairman: Okay. You are consuming it right now.

Mr Cureatz: Mr Chairman, I respect your opinion and you are new in the chair, and I know you do a wonderful job. I have every confidence in you, but I think in terms of time allocation every caucus should have an opportunity.

The Vice-Chairman: I would ask members to consider that when they are speaking, because there are other deputations ready. Go ahead.

Mr Cureatz: That is hopeless. You have to intervene when Mr Callahan from Brampton goes on and on.

The Vice-Chairman: First of all, Mr Farnan went on for six minutes.

Mr Cureatz: Then you should have cut him down, too.

The Vice-Chairman: Okay, proceed.

Mr Fleet: Mr Chairman, if I might, by way of offering some assistance. I am inclined to agree with both sides, if that is possible, but my suggestion would be that you advise us of how many minutes are left.

Mr Cureatz: Yes.

Mr Fleet: The division Mr Cureatz has suggested, a three-way split or something, I think is amenable to our side. That would assist you as well, so you can keep to the--

The Vice-Chairman: We can do that for the next one, but Mr Cureatz now has 54 seconds.

Mr Cureatz: Right, and then if we do not have any questioning.

We would like to thank the group on behalf of the Conservative caucus after that little tirade, and as the time is marching away—I missed the number of people you represent.

Mrs Knautz: About 1,300 members in Ontario.

Mr Cureatz: I have, I suppose, a closer influence in terms of your organization. My wife is a piano teacher. She does not have a lot of students, but you are right about the cultural impact. It always seems there are parents calling who want their young children to have some participation in music, in learning piano, in that case.

You are having an impact and I am glad you are here, because Kathy has continually told me that she often felt there was not a united voice. When you

spoke up against the tax, I want to tell you that spouses have influence on their elected representatives, because at a particular point she went into a tirade indicating how disappointed she was that I had worked so hard to put our federal Conservative member in and the Conservative Party across Canada in, and "those jerks come and do something like this."

Needless to say, I try to tiptoe through the tulips quietly on that issue, but I know where she is coming from. As a result, the pillow-talk is always copacetic to her point of view.

1040

I am impressed with my NDP colleague Mike Farnan, who has indicated—and I will just sum up—that some co-operation from the government side in terms of discussion as to direction—like your group and the other groups that have come before us, the direction they would like to see the bill come forward—would be appropriate.

My Liberal colleagues across the way—Mr Callahan always likes to say, "Back in the old days when the Conservatives were in power." When he is criticizing, all he is doing is criticizing the people of Ontario out there who voted for the Conservative Party for all those years. What he is really saying is that those people across Ontario were foolish to be doing that all that time; they have been enlightened by voting for the Liberal government.

You would be a heck of a lot more enlightened if you had the decency, after these committee hearings, to sit down with the groups and come up with some very reasonable amendments. I can understand some really tough, hard issues like Sunday shopping, where you think it is a point of principle. As you well know: You were chairman of the committee, and did a fine job, I might add.

The Vice-Chairman: Are you finished? Time, Mr Cureatz.

Mr Cureatz: On this issue, when you have the number of groups that are speaking out against it, it is unbelievable that you will not capitulate for some co-operation.

The Vice-Chairman: Thank you, Mrs Knautz. I think you made your case on how you feel about the bill very well; you spoke very well on behalf of your profession.

The next group is the Association of Library Boards of Ontario, Gwen Mowbray, president. Ms Mowbray, you have with you Eleanor James, I believe, and Betsy Cornwell. You have 30 minutes for your presentation, if you would like to proceed.

#### ASSOCIATION OF LIBRARY BOARDS OF ONTARIO

Ms Mowbray: Thank you for the opportunity to speak to you on Bill 119 and its implications, if passed, on the ability of the library community to continue to meet the needs of its patrons.

The Association of Library Boards of Ontario has consistently opposed the Treasurer's attempt to reallocate lotteries' profits. Our brief outlines the reasons for our opposition, and we hope you have read that brief. I am not going to go into it, but I do think that before I proceed with the remarks we want to make, I should tell you what ALBO stands for.



ALBO is a committee which is made up of library boards in Ontario; that means the trustees and the chief librarian. This association feels its independence is the foundation of its strength and effectiveness. It was formed in 1983 to identify issues of interest and concern to Ontario public libraries, provide a forum for the expression of a multiplicity of views on public library service in Ontario, develop collective and effective advocacy and problem-solving strategies on behalf of libraries, communicate the collective view of Ontario public libraries to policymakers at the municipal, provincial and federal levels to shape and promote legislation of benefit to Ontario public libraries.

We have in those years addressed a number of issues, the Public Libraries Act of 1984 being the first one. We have addressed the issue of Bill C-54, which was the pornography issue, Bill C-60, the Copyright Act, and various provincial acts. We are also part of the Ontario public library strategic plan and the Ontario Library Association's organizational review task force.

This morning we would like to talk to you about some examples of projects funded by grants from the ministry which would not have been possible without that extra funding from outside the municipality. The first is the Tillsonburg Public Library. I will read some excerpts from various publications in Tillsonburg and the reaction of staff and patrons.

This was a project which cost \$90,000, which is not much less than the town council's operating grant to the library. Without the funding from the Ministry of Culture and Communications, which was a grant of \$70,000, Tillsonburg would not have been able to automate its library system. They now have an easy-to-use catalogue, which is very essential for managing the library's collections. It controls circulation, streamlines requests and reserves and reduces the amount of time cataloguing materials. It has proven to be a great boon to a very small library which could not have afforded to do this on its own. The chief librarian says it has put the library "light years ahead" and it now has access to a huge networking system which reaches throughout the whole area.

The next one I would like to tell you about is the Milton Public Library, which has received a number of grants through the Ministry of Culture and Communications over the years. Starting in 1984, they include a grant of \$3,600. Some of these are small and some very large. I mention them because I want you to see the wide diversity of projects that can be brought to libraries through these grants.

In 1984 the \$3,600 grant assisted in the establishment and acquisition of a large print collection as part of the library's permanent collection. They now have an adequate print collection to service the community needs for this special format. It is a collection that they can now continue with their operating budget.

In 1985 they received a \$4,800 equipment grant to purchase a new circulation desk to help the staff and public in using the library. In 1986, the grant was much larger, \$20,000, and it was an organizational development grant to undertake a community-needs assessment study. In 1987 they received a community facilities improvement program grant of \$86,185 to replace the roof, renovate and create office space and replace carpeting. That same year they also received a \$12,900 equipment grant to replace worn-out equipment such as their microfilm reader, printer and so on. They replaced those and were able to provide space to accommodate a better collection and better access for the public.

In 1988 a \$1,500 French-materials grant was given to them to develop the French collection for children enrolled in the French immersion courses. That same year they also received \$17,500 in a video grant to establish a video collection to support the demand for information and educational material in VHS video format.

In 1989 they received three grants, \$10,000 to expand the base collection of videos, \$4,500 for equipment to purchase shelving for new collections in the children's department and \$2,000, again, for French materials, and it was matched by parents of the children who are in the immersion program.

The grants have fallen into three main categories, as I have pointed out: establishing new collections, assisting in the upgrading and replacement of outdated and worn equipment and assisting with major capital renovations. The public and staff have all benefited from these programs, which would not have been possible without grants from the ministry.

Oakville Public Library has received lottery-based grants totalling over \$1 million between 1983 and 1988 to assist in the following projects: a summer visual literacy program for children, parent-child project, francophone materials, seniors' information network, talking books and large-print books, a salary and pay scale review, automation studies and a capital upgrade, staff development, story-telling kits, the National Book Festival Week, furnishings and equipment, Central Library expansion and renovation, a toy library, including materials for children with handicaps, and, last but not least, a planning study for the municipality of Oakville.

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I believe you had some information about grants that were given to Hamilton and you will notice that I am moving up from a very small library in Tillsonburg to a very large library like the Hamilton one, which makes its services available to a very large group of people.

Their grants have included two community facilities improvement program grants, one of which was to upgrade their Kenilworth branch, an old building which had been built in 1932 and required extensive renovation. Just to show you what these grants can do, I want to pass around some pictures that the chief librarian has sent to us so that you will see the value of this kind of grant.

The total project was \$264,000 and the grant was received in 1986. This is a branch that serves the needs of a predominantly English-speaking area with about 32,000 people living in east Hamilton. The programming is done in-house, the emphasis is on children's programs, after-school programs, story hours, nursery school visits and visits from schoolchildren in the elementary classes.

I might point out there are no fees charged for programs or for any other use of the branch and that is something which I think is very important for us to remember when we are talking about libraries. Under the mandate of our Public Libraries Act, we are not allowed to charge for services.

I think you have heard from another group making a submission about the Terryberry branch, another branch in Hamilton, which did receive a CFIP grant but had to wait for two years because there was no money forthcoming for it.

In 1985, Hamilton also received a \$10,000 grant which was matched by



\$10,000 from the Hamilton Public Library and the regional municipality to fund a feasibility study and a tentative implementation schedule for a master information and referral study for Hamilton-Wentworth.

They identified 41 agencies and they varied from groups such as the Better Business Bureau to the Stoney Creek Information Services and 10 federal and provincial offices. They found that a co-ordinated information referral service was essential and they recommended that a council of information and referral services be established.

As you can see from these, the range of programs and projects that are available through the grants is a very wide range and covers many areas of life in a community, not just reading at the library but many other areas.

These libraries have all benefited from the grants and improved services, but we want to point out that the funding is continually decreasing and the competition for the grants is fiercely competitive.

I can understand the desire of the Treasurer (Mr R. F. Nixon) to have all lottery profits go into the consolidated revenue fund, because taxes are sufficiently unpopular that it is attractive to government to have a revenue source that people do not complain about. Not many people object to buying a lottery ticket.

I can understand that as a financial manager the Treasurer thinks it makes sense to put lottery reserves into the same pool as tax revenues so that decisions can then be made on the allocation of the whole pool of resources among the competing demands. From an overall management standpoint, the Treasurer's approach makes sense. However, this is not just a question of financial management. The dedication of lottery revenues to cultural and recreational projects has made possible a great many advances in the cultural and recreational fields which never would have taken place had those projects had to compete with all the other demands on the general revenues of the province.

While libraries are used by a high percentage of the population—and just as an example, Oakville knows from its planning study that 70 per cent of the population are registered patrons—many cultural and recreational projects which in the aggregate add greatly to the quality of life in the province would not command enough support to ensure them an allocation of resources out of general revenues comparable to what has been provided out of lottery proceeds.

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The public is generally more willing to pay taxes for good health care, education, roads and other such government services than for the advancement of cultural and recreational activities. If lottery proceeds simply go into the consolidated revenue fund, the amount spent on culture and recreation will continue to decline as lottery proceeds will be used for other purposes as an attractive political alternative to tax increases.

I should like to refer to our recommendations, which are on the last page of our submission, and perhaps you might care to ask us some questions.

The Vice-Chairman: We have about 15 minutes.

Mr Elliot: I appreciate the opportunity to compliment the group on a

fine presentation. It is one that I am particularly interested in. I have read exhibit 80, and appendix I indicates why I am particularly interested in this submission. I lived in Oakville for 14 years and am quite familiar with that operation. I now represent Halton Hills and Milton in the Legislative Assembly, and Halton North, so I am also familiar with the continual difficulties they have in getting the funding they require to do the excellent job they are trying to do in our communities.

The figures that are in that summary in appendix I certainly substantiate the kinds of concerns you have been talking about, in that the municipal appropriations for the operating expense of the libraries have been continually going up and, as a percentage of that, the amount of provincial capital allocation through lotteries has been going down. According to my figures, it has decreased from something in the order of 22 to 23 per cent to something in the order of 12 or 13 per cent of the expenditures. I just figured that out from the figures that are in appendix I.

The thing I would like to observe with respect to the way the government operates at Queen's Park—and I am not just talking about the present government—the way revenue comes in is that it all comes in and goes into the consolidated revenue fund. As a person who has been involved in the arts and recreation area for more than 25 years, my main concern is that the areas involved get the substantial amounts of funding they require to do the excellent job they have been doing.

To put it in perspective, I am a little bit concerned about the kinds of things we are talking about with respect to tying in the funding of these important areas of our society to the lottery funds on a percentage basis, because section 9, the area we are dealing with and replacing in the act, has said something about revenue going into the consolidated revenue fund and then being made available for these important areas. We have one proposed amendment to that section which still says that a minimum of one third of the amount so paid in is to be made available for appropriation by the Legislature for the same kinds of things.

What I am really concerned about, as a person interested in the arts and recreation area, is that as soon as you say the minimum funding is a third of something, that often is interpreted as being the amount you are going to get. The reality of the situation is that right now for those who have worked hard in this area to get substantial funding put in place, looking back 15 years, until now we have done a lot of very good things according to your figures and those of everybody else who comes before us. What I am interested in doing is seeing that continue.

The reality in this last year that we have a report on is that in these areas of the \$500 million that is brought in in revenue from the lotteries, you can justifiably designate something in the order of \$418 million as being expended in that area. Because of the way the budgeting works, you have to sort of dig for that kind of information, but that means that about 83.5 per cent of the money coming in from lotteries was being spent in the last reported year in the areas that it was designated for.

1100

We can argue about that a lot, but the actual fact of the matter is that we are looking at something in the order of \$500 million in revenue per year from the lotteries at the present time, all six of them. As for the designated part that is going for additional expenditures in areas like your own, if we say a third of it, we are talking something in the order of \$200 million.



What my real fear is in all of the discussion that I have heard here is that the fix is going to be in to the people who are looking at the money and saying, "Instead of spending something in the order of \$400 million-plus in this particular area, we will be spending half of that, \$200 million, and we will be designating in a little different way." I just wanted some clarification of thoughts here in that we are talking about one section of an act, where the funds from the lotteries are being designated in a certain way for culture, recreation and sports.

I really think what we all ought to be doing, groups that are interested in these very important areas, is arguing very firmly that we have come some distance in getting a relatively good base in place in these areas. What we have to do is make sure that base is assured somehow in our budgeting process, because of the way that things work around here, and in fact enhanced.

Everybody is telling us he is not getting enough money now. What we are trying to do in the legislation is take into consideration the fact that everything has to go into the consolidated revenue fund. It has to be budgeted out by the ministry, because that is the only way it is going to happen here—

The Vice-Chairman: Mr Elliot, you have made your point.

Mr Elliot: I have real concerns with respect to the kinds of arguments I am hearing.

The Vice-Chairman: We have Mrs Marland and Mr Laughren at five minutes apiece.

Mrs Mowbray: Could I reply to Mr Elliot?

The Vice-Chairman: I will give you a minute or two at the end to respond to them all.

Mrs Marland: I was going to say that I thought Mr Elliot was a very excellent chairman. He obviously has sat in the chair and he has listened and he is concerned. I hope all of the Liberal members of this committee will share in the reality of the concern of all of the groups. By the time we have finished, we are going to have had somewhere over 100 groups before us. I did not sit on this committee last week, but I have sat on it this week, and to date we have not had a single group supporting this bill.

In your presentation at the bottom of page 3, the last paragraph, you say, "With all due respect to the Honourable Robert Nixon's assurances that funding for libraries will not be curtailed under Bill 119, we beg leave to remind the current government that their promises create no obligation for successor governments."

Speaking as a member of the successor government to this government after it passes this bill, I want to tell you two things. One is that the present wording in this bill by this government does not give you that assurance either. I think that is a point that all of the groups before us must realize, that even the people who agree with hospital operations being funded on the whim of lottery profits—and we are not talking about hospital beds; we are not talking about hospital buildings; we are talking about hospital operations. So for those people who want to pit health care against preventive medicine, which is what culture and recreation is all about, on the surface it sounds like a motherhood thing: How can you go against hospitals? But in fact, hospital operations are what this money may be used for, not building new hospitals or creating new beds.

More important, the wording in the legislation says—and this pertains to your interest on behalf of library boards—that the profits "shall be paid into the consolidated revenue fund." The next words that are used are that it "may be available for appropriation" to the other three groups, the Trillium, recreation and sports and the hospitals.

Mr Callahan: It is not "may be"; it is "may direct."

The Vice-Chairman: Rather than get into a debate, let Mrs Marland give her version, Mr Callahan.

Mrs Marland: Yes, if you would just let me finish.

The act says that the money shall be paid into the revenue fund, it says that "the Lieutenant Governor may direct" and make available for appropriation those funds "for the promotion and development of physical fitness, sports, recreational and cultural activities and facilities therefor, and for the activities of the Ontario Trillium Foundation."

However, when it gets down to the part that goes to hospitals, it says "shall be applied to." So it is very interesting that in the areas that you represent the word is "may," but in everything else it is "shall." I point that out to you, lest Mr Nixon's assurances—from the way you had written this, it looks like his assurances for the current government, let alone successor governments, is secure. It is not secure in Bill 119 for anybody.

Mrs Mowbray: Actually, we were trying to be amusing.

Mrs Marland: There is not even a minimum for hospitals.

Mr Laughren: Mrs Marland articulates the views of the third party very well. I must commend her for that.

There is a lot of talk about the allocation of funds. As I have sat here through virtually all of the hearings, I think yours is the first organization that has recommended—under your recommendations you state:

"The Association of Library Boards of Ontario recommends that prior to the passage of Bill 119, a nonpartisan commission be directed to define the role, function and funding responsibilities of the province with respect to culture and recreation."

Did you intend to mean that strictly for lottery funds or all of culture and recreation spending?

Mrs Mowbray: I think we included all of culture and recreation spending.

Mr Laughren: That is what you were intending that to be.

Mrs Mowbray: That is right.

Mr Laughren: I notice that next one, that they consult for "the equitable distribution of lottery profits" and so forth. What is bothering me is that I can see the second part of your recommendation but I do not understand the first part, perhaps because I am a traditionalist.

Mrs Mowbray: Do you mean paragraph 2?



Mr Laughren: Yes, the one that starts out, "The Association of Library Boards." The next one I understand because it is talking about the equitable distribution of lottery profits. Many of us have felt for a long time that there needs to be a better mechanism for distributing lottery profits, who gets what, and I have no trouble supporting you on that. I have difficulty with the previous one, where you are taking a whole ministry—

Mrs Mowbray: The reason the lottery funds have become so critical, if we are speaking just of libraries, is that our household grants are being reduced at the same time. Therefore, we are losing a great percentage of the outside funding, other than the funding that is given to us by the municipality. As we mentioned in our brief, other sources of funding are denied us. We cannot charge any fees for the service that we give. That is mandated in the legislation of the Public Libraries Act.

But we do feel that before a bill like this is passed, there should be—if the thinking is that the moneys that are being paid from the profits of the lotteries are sufficient, then perhaps there should be something to say that is really true, and that would require a real look at the funding of all of these organizations. We feel that that is rather important.

We also are not asking for a percentage, we are not asking for a third, we are asking for what we think libraries need to survive. So we are not putting a figure on it. We think that that is a restriction, because we do not want down the road to be told, "Well, you've got your third and that's it and you can't have any more." So we are leaving that open. We are very aware of words because we work with words all the time and we know what "shall" and "may" mean. We have had quite a few struggles, particularly in our own libraries act, with exactly that, the wording of the act.

1110

Mr Laughren: My colleague and I—I will make sure you get a copy of this. Yes, it is in that material. I see you have it there—will be moving an amendment to this bill which will guarantee not a third, but a minimum of a third so that it could never drop below that. The way the legislation reads now, virtually every single dollar could—I am not saying it will—go to the operation of hospitals. That is something new. It was never there in the old legislation, which is why we have moved this amendment.

When is the actual clause-by-clause, the first week in October?

Mr Farnan: Thursday 5 October.

Mr Laughren: There will amendments moved then, and we will see how it shakes down. The opposition certainly feels that this can be amended and does not contravene the principle of the bill. We would be out of order if we did. It simply says that a minimum of a third be put into culture, recreation and so forth and that the profits that have accumulated over the years would be set up as a trust fund and the interest would go to culture and recreation.

The Vice-Chairman: Time is up, but I will give you a minute to respond and that will be the end of it.

Mrs Mowbray: Our first recommendation is that we are not requesting a share of the accumulated profits from the dedicated lotteries. That has passed and gone; that is history. Let's not quarrel about that. Let's get on with what we want right now, which is a fair share of the lottery profits, if that is how you wish to fund culture and recreation in this province.

Mr Laughren: Okay, thank you.

The Vice-Chairman: Thank you very much.

Our next deputation is the Ontario Federation of Symphony Orchestras, Betty Webster.

ONTARIO FEDERATION OF SYMPHONY ORCHESTRAS

Mrs Alexander: Thank you, Mr Chairman, and members of the committee. I am Andrea Alexander. I am president of the board of directors of the Ontario Federation of Symphony Orchestras. We appreciate the opportunity of speaking to you today. We have distributed, for your information, a brochure about our service organization for orchestras in our province and we have given you also a list of the member orchestras and youth orchestras and the members of our volunteer boards of directors who come from across the province.

My colleagues are Betty Webster on my right, the executive director of OFSO, and Jean Riley, a board member and chair of OFSO's advocacy committee. She is a past president of the Chamber Players of Toronto and presently is a board member of the Canadian Music Centre. Jean will begin with her comments, and I would like to alert the committee and the translators that part of her presentation will be in French.

Mme Riley: Je tiens à vous remercier de la part de la Fédération des orchestres symphoniques de l'Ontario de l'occasion qui nous est donnée d'enrichir notre demande soumise par écrit, que vous connaissez déjà, j'espère. J'imagine que vous savez que nous sommes membres de l'alliance qui protège la récréation, la culture et les sports en Ontario; vous connaissez déjà leur position. Je crois que nous avons raison d'être fiers de la demande écrite, qui a été assez bien pensée. Je vais tenir pour acquis que vous la connaissez. Il y a certains points que nous sommes très contents d'avoir la chance de faire oralement.

The point that I would like to make is that today I am here in capacity as a volunteer. I have a professional life, but today I serve also as a volunteer, as does our chairman, Andrea Alexander. I think we are part of a pool of 1.9 million volunteers in Ontario, which represents 27 per cent of the population. I know that 1.9 million people do not work in sports, recreation and culture, but I think we all know that in every community there are kinds of people to whom you turn when you want to have something done. You, as elected members, probably have experienced the support of volunteers like me and like Andrea who are already working in areas in sports and recreation, in our case with a particular interest in the arts.

I think we are coming here today not only as elected representatives of all those orchestras; we are coming here as the kinds of people who believe in the process. We actually were looking forward to coming because we felt that you were going to listen to us, that you were going to attach importance to the process. In some sort of idealistic way, we feel this is a very impressive process.

On my way here this morning I did something that I have never done before. I went to buy Lotto 6/49 tickets. It has something to do with how busy I am, I suppose, with all my other volunteer commitments that I do not find my way to go and do that. But I went to Greenwin Square, which is right down the town close to where I live, and the fellow was extremely patient; he explained to me how it worked. I was too cheap to buy one of everything because I think



people like us are the kinds of people who know that the odds are against us. I knew very well that I would never again see the \$5 that I was putting up.

Mr Callahan: You will probably wind up the winner.

Ms Riley: Actually, Andrea, who purchased some as well, won \$50. We all know in the business of gambling that the \$50 win is the ultimate seduction that might hook the person. I would like to express that I think the whole principle of the lottery is that there are people who are vulnerable to a certain kind of hope. As I was looking at it this morning at Greenwin Square, it seemed to be mostly men who were purchasing the tickets.

It is along that point that I want to express our appeal for you to consider extremely seriously the position of the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario. It seems to me that 13 years ago when the lottery funds were created—by the way, if there are going to be lotteries, I am very glad it is governments that are running them—some of the fear about taking advantage of that particular vulnerability to a certain kind of hope was neutralized by the fact that the money was invested in another form of hope. They are the areas of our society which deal with wellbeing, which cannot be measured by economic yardsticks and which have to do with the arts, sports, recreation and leisure.

We are here, and I am sure you are going to ask us a whole lot of hard questions because when we get technical, you will find that we are pretty adamant in our support of the alliance position, but we are here as part of a decision-making process. We feel that the government, and especially the government here in Ontario, is one of the ones that has given leadership in the clearest way to the rest of the country about the importance of culture, the arts and all the leisure aspects.

I think one of the assumptions that seems to be emerging is that the present level of funding for the areas that we are talking about has been something to be proud of. But one of the things that I think we must address is the future needs of a community which has been supported by the Ontario government for 30 years, which has created a level of activity that is going to require a good deal more funding. I think I have made my point.

Mrs Alexander: Many of our member orchestras have made their own presentations to the committee and I think some of them are yet to come before you. Ever since the introduction of Bill 38, there has been grave concern in the orchestra community about the allocation of the lottery funds. The project grants and special initiatives provided by these lottery profits have been incredibly important to us and any change in the status of those moneys is a grave concern.

With our colleagues in the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario, our written brief supports their two suggested changes to Bill 119. Our executive director would now like to make some comments about our written brief that was presented to the committee.

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Mrs Webster: I would just like to mention that we have referred to the tremendous growth of the arts in Ontario and we have also referred to the document, which many of you perhaps have seen, from the Ontario Arts Council called In the Province of Artists, because it does talk about the tremendous economic impact of the arts.

In view of the tremendous economic impact, and in view of the explosion which has happened everywhere in the arts and every part of the province, we do believe that the support for the arts through the Ontario Arts Council and through our own Ministry of Culture and Communications is insufficient. We believe that the arts are underfunded.

With regard to overall grants, as you know, our orchestras and other arts organizations are funded by three levels of government: municipal, federal for the professional orchestras and provincial. The overall government grants over the past five years—and we have done an analysis from data that have been received—have really not changed at all. There has been no change in that income as a percentage of overall income.

In fact, as we have mentioned in our brief, for the smaller organizations, many of them in very important parts of the province although they are small-budget organizations, the actual grants have decreased by 4.2 per cent as a percentage of income. In the eight orchestras—we did this in groups of orchestras—five of those orchestras were actually either decreased or frozen, so that it is a real concern.

Similarly, as we have mentioned, when it comes to the orchestras with budgets over \$100,000, many of them, but not all of them, have received a provincial funding which has been barely level with inflation. Most of the increases over the five years have not been over a five per cent increase. Many of them have been frozen.

We believe that to offset that lack of funding from the three levels of government we have made great strides in every other area. In earned revenue, in individual contributions and in business sponsorships, we have tried to pick up what has not come in from that other source, but this has only allowed us to maintain a status quo. The arts have to either grow or really die. They have to expand in their activities and in their programs. So we have really depended enormously on the lottery funds to enable the orchestras to undertake new initiatives.

Among the kinds of things that they have done, for example, have been tours. They have been able to tour not only the province but overseas, with the assistance of lottery funds. They have undertaken professional development of their boards and staff at various conferences and at workshops, some of these of course sponsored by our own organization as a provincial service organization. It has enabled the youth orchestras of our province to travel beyond Ontario, to the international festival at Banff and to the Edinburgh International Festival. It has taken many of them to remote parts of the country.

It has enabled them to buy equipment, typewriters in the old days, computers now. It has undertaken some studies that have benefited the whole arts organization or the whole arts community, equipment and a study such as the small business and small arts organization study in which we are now involved with our own association.

Another important project that has used the lottery funds was the financial stabilization program. Because, as we have pointed out, orchestras have been operating so close to the line, some of them certainly have incurred deficits, and the financial stabilization program was a way, an initiative that enabled them to raise additional moneys and have those matched by the provincial government through lottery funds. That has been a very important part of their ability to maintain their status quo. I think just this past



year—we do not have the figures from all our member orchestras—four of them have indicated that they have received something in the order of \$600,000, just for those four orchestras, and it is considerably more than that.

The other new initiative that has happened over the past three years has been investment in the arts, which is a similar initiative to enable the arts to raise new sources of funds and to have those matched by the ministry. That, which was a \$10.6-million program, I think, brought in close to \$2 million to the orchestras: \$1,690,000. Most of that has been achieved. That was the maximum that they could attain, and 80 per cent of that so far has been achieved.

For our own organization, which is the provincial service organization, we do not like to compete any more than we have to with our own members because they are so busy trying to raise money in their own communities. As a service organization, we have also depended greatly on Wintario grants, or project grants as we now call them, for various things we would not have been able to undertake.

Over the past eight years or so, we have received close to \$100,000 for interns, for various projects we have undertaken, for summer students, for equipment, for studies and for our own youth orchestra festival. This has been enormously important to us in extending our services to over 50 orchestras and another 20 youth orchestras in the province. We are obviously very concerned that this special source of support not be cut away.

Mrs Alexander: In our discussions, the OFSO board, advisers and staff people who have looked at the legislation have been particularly concerned about the wording of Bill 119 as opposed to the original wording. I respectfully submit to the committee that we have all looked at the words "may" and "shall" and "to be available" very carefully. We are here because we do not feel the amendment gives us any sense of confidence at all that the amount of money now going to sports, culture, fitness and recreation will be continued, will be pursued by the government.

I think it is only reasonable that in the original bill, four areas were mentioned. In the present bill, it does not list them by numbers or prioritize them in any way. It calls them (a), (b) and then the catch-all regarding operations of hospitals. We are looking to the committee to hear, from the delegations that come forward, their clear call for some change.

An amendment is allowed. We did not even know this when your committee first began sitting. Now we realize it is possible and we certainly feel that on behalf of orchestras in our province, we must ask that some more substantial decision be taken, that the wording be changed so that we can be assured of funding from the lottery games.

The Vice-Chairman: Thank you. We have possibly 12 minutes left for questions. We have three on the speakers' list to ask questions or make comments and the first is Mr Farnan. I will be ruthless with time.

Mr Farnan: I want to thank you for your presentation. You are indeed the first delegation that has raised the concern of lotteries and gambling and I appreciate that very much. It is an issue I have raised in the House and I have put forward the suggestion to the government in the House that a percentage of lottery funds be allocated to gambling rehabilitation programs. I believe that is very important.

You went right to the heart of the issue when you said that it is those

who can least afford to purchase lottery tickets who spend the greatest percentage of their income. Actually, middle-income and upper-income individuals spend more dollars on lottery tickets, but it is a smaller percentage of their total income.

As New Democrats, we do not want to deny the fact that people want to enjoy a flutter and that lotteries are a reality, but there must be some targeting of rehabilitation programs for individuals in every socioeconomic bracket, because you can be a compulsive gambler in any group. Therefore, I think this is a good forum, and I appreciate so much the fact that you raised this issue. Indeed, I will consider tabling an amendment to this bill that a given percentage of one per cent of lottery profits be designated. I will want to discuss it with my colleagues before doing so, but if there is a consensus, I will certainly consider tabling a motion that a percentage be designated to gambling rehabilitation. It is just a splendid point.

I cannot spend a great deal of time on the brief. I think you have said it all. But the second point I want to emphasize is the word "listen." The first speaker of your delegation said in her remarks, "We hope you will listen." I am becoming increasingly distraught at the partisan games that are being played about what the former government said and what this government says.

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Mr Callahan: Give me a break.

Mr Farnan: Really, we are down to a situation where literally hundreds of groups representing millions of people are speaking with a united voice and saying to the government: "Don't do this. Give us the guarantee," and presenting to the government what I believe is a very reasonable position. They are not saying they want all the money from lotteries. If the government wants to use up to two thirds of the lottery funds for hospitals or roads or whatever, that is a prerogative and an option the government may have.

Partisanship and controversy are not the solution. I am absolutely convinced that the solution is partnership with the groups, the volunteers and the government. You are going to find as a government that you will get the co-operation of the New Democrats and the Conservatives if you enter into a partnership with the groups across this province.

Mr Callahan: I would like to ask you, in the event that there was such an amendment and allocation, would you have any difficulty with the balance of those funds going towards hospitals, be it capital or operation?

Interjection.

Mr Callahan: That is a no; is that correct?

Under item 1 at page 5, in the first line you say "That a guaranteed level of funding be established with a formula in place for future increase." You are the first group to have brought that to the fore. I have questioned other groups on it. For instance, if, as you say, one third of all of the lotteries was \$152 million—I do not know whether that is correct or not, but for hypothetical purposes let's say it is—how would you propose a formula? For instance, would you say that it would be based on population, so that the city of Toronto would get a far larger amount than, say, Grimsby or Brampton or Hamilton and so on? Have you thought about that?



Mrs Alexander: I think this suggestion came forward because all of a sudden a few years ago we had the four Ontario games, and then all of a sudden we had the interprovincial games revenues coming to the province. I think this formula idea is simply there to allow a certain amount of flexibility for a changing climate.

Mr Callahan: I read it as being that you want a formula set up to distribute that \$152 million among all the people in Ontario who are going to ask for it. In any event, I have asked the question. You might think about that and if you have an answer, send it in to the clerk.

Mrs Webster: Yes.

Mr Callahan: The final thing—I do not know whether we have asked for this yet or not, Mr Chairman—is whether we have asked research to look into the question of just how these funds are distributed. I would like to get some information. I think members of this committee should have that in terms of determining whether or not it is a question of grants or applications being turned down because they were not merited or because there was not sufficient funds. I would like to get to the root of that.

The Vice-Chairman: To put you at ease, Mr Callahan, that information has been requested.

Mr Callahan: All right.

Finally, in item 2 of your suggestions, I gather what you are saying is that this notional surplus we talk about that supposedly is in existence—I can tell you it probably is not, but in any event you are saying that you want that equivalent amount of money with the interest thereon to be set up as an endowment fund. Then you go on to say that would be available for, I gather, operating, the capital is what you are talking about, in paragraph 1. Then in addition to that, you are saying provincial operating grants. You are looking for both, I gather. Is that right?

Mrs Webster: Yes.

Mr Callahan: What you are saying is that you want the government to give a third of that to culture and recreation and also the interest on the endowment fund, but also you want appropriations to be made by ministries over and above that.

Mrs Webster: For operating grants, for the continued planning and responsible money management of these different organizations.

Mr Callahan: What would the endowment fund be for?

Mrs Webster: I think the suggestion is that the interest on the endowment fund be administered by the Ontario Arts Council.

Mr Callahan: They would use that for what purpose?

Mrs Webster: They support certain arts groups in the province, but certainly not all of them. I think many of them have come before you and stated that they do not get grants from the Ontario Arts Council, that they get ministry operating grants.

Mr Callahan: All right. But I noticed it is not just for culture; it is for recreation, sports and—

Mrs Webster: Culture, recreation, yes. That is our ministry, Culture and Communications.

The Vice-Chairman: Mr Callahan, you time is up. Mrs Marland.

Mrs Marland: In the interests of time, I will be very brief. I want to say on the subject of listening—I know you were here when the previous deputation was here, so I am not going to repeat what I said, but in fairness to the Liberal members of this committee, all of whom sit opposite us, and after having sat on a number of committees with a number of different government members, I feel that these particular government members have been trying to listen. They have not been blatantly partisan. They certainly have not been nearly as bad as a lot of committee members I have sat with.

My colleague, Mr Cureatz, said yesterday, when he gave them some collegial advice, that sometimes you do have to sit on these committees. To make the whole democratic process worth while, we have to be able to justify sitting here for three weeks with the expense of our being here and our staff and everything else. If the bottom line is not that a bill can be amended—the fact of the matter is that you are absolutely right, that amendments can be made, although I sat for six months of hearings around the province on another bill, a very controversial bill on workers' compensation, and we knew all along that there would not be any amendments to that bill unless the minister directed that the amendments came; in other words, the ministry that is the author of the bill.

We are hopeful that these members you see here this morning will receive from on high the amendments this bill needs in order to make it acceptable. At the moment, as you know, it is totally unacceptable to us for all the reasons we fought Bill 38. Even though the words are a little different, there is no greater security in this bill for any group, and ironically, least of all for the hospitals.

We appreciate the effort we know you made to prepare for a presentation such as you have made with a high level of professionalism this morning.

Mrs Alexander: We would just like to say that we hope the delegations that come before you are indicating that the people are possibly ahead of the government on this issue. We think this is what is called a green issue at the moment and we hope that you are concerned that the delegations are coming here from all across the province, from the large and the small culture and recreation participants, and that behind them are these thousands of volunteer people who take part in every community in Ontario.

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The Vice-Chairman: We are aware of that.

Mrs Marland: You will remember that, Mr Chairman.

The Vice-Chairman: Always, Margaret, always remember it.

Our next deputation is the Grimsby Public Art Gallery. I take it this is Mary Rashleigh. Is this a joint presentation from the Grimsby Public Art Gallery and the Grimsby Museum?

Ms Rashleigh: Yes, it is.

The Vice-Chairman: You have Miss Janet Cannon and William Thompson.



Ms Rashleigh: We have some things to pass out.

Mr Fleet: I just want you to notice, while the deputants are getting ready to make their presentation, that we do have Mr Pelissero here. I for one would be quite content if he wants to make a comment.

The Vice-Chairman: I will give him the first space on the speakers' list. I am sure he will want that. Either that or he could wind up, one or the other.

Mr Cureatz: But do not hang yourself like Callahan did yesterday.

The Vice-Chairman: Just ignore the bantering.

Ms Rashleigh: First of all, I would like to thank all the members of the committee for giving us this opportunity. I am feeling a little bit like small potatoes after the last group.

Mr Cureatz: Absolutely not.

#### GRIMSBY PUBLIC ART GALLERY AND GRIMSBY MUSEUM

Ms Rashleigh: I would like to introduce myself. I am Mary Rashleigh. I am the director of the Grimsby Public Art Gallery. On my right is Bill Thompson, who is the director of the Grimsby Museum. On his right is Janet Cannon, who is the curator of the Grimsby Museum. They will be making their presentation when I have finished mine.

The Grimsby Public Art Gallery was established within the library and gallery complex in the town of Grimsby in 1975. In 1976, the gallery received a very important grant from Wintario of \$30,000. This grant enabled the gallery to complete its building and to become a significant cultural resource in the region of Niagara for the town of Grimsby itself and surrounding communities such as Smithville, Beamsville, Winona, Jordan and Vineland. An average of 16,000 people visit the gallery each year.

The gallery presents a varied program of monthly exhibitions, creating an environment which stimulates and challenges the gallery visitors. Through these exhibitions, our community is made aware of the talent of artists in our own area and also has the opportunity to discover artists from outside the area who are making important contributions in the art world.

The Grimsby Public Art Gallery has a permanent collection of over 800 works of art, including contemporary Canadian prints, drawings, paintings and sculpture. Each year the gallery hosts a festival of private press printers called Wayzgoose, which has become well known across Canada and attracted over 2,000 visitors last year.

The gallery feels that it is not only important to bring exhibitions of art to our community, but also to provide it with educational programs. Opportunities to meet exhibiting artists are provided through opening receptions, artists' talks and tours. A thriving school program is maintained with the help of a group of dedicated tour guides. At present, the gallery has 12 tour guides and more in training.

An average of 200 schoolchildren visit the gallery each month. The gallery also offers tours to service clubs, seniors' groups, disabled adults and clubs such as boy scouts and girl guides. An outreach program, Art in the

Schools, provides 24 schools in the area with exhibitions that are rotated each month by our volunteer committee. During the summer and throughout the year, art classes are offered for children of all age groups and also for adults. The gallery also offers lectures, workshops, films and bus trips to other galleries.

An active volunteer committee of over 50 members assists the gallery with its programs and helps financially as well, by mounting fund-raising projects. The gallery shop operated by the volunteer committee offers truly unique Canadian crafts. The annual music series organized by the volunteer committee brings accomplished musicians to the community and the sale of series tickets makes possible free concerts in the gallery.

In 1979, the volunteer committee received a Wintario grant which helped them to buy a piano for the gallery. Without this piano, the music series could never have happened. That may seem silly to you but it is true. We could not have offered concerts in our gallery without a piano, and I have provided you with a brochure of our music series. This year, we are celebrating the 10th successful year of our music series.

Since the first Wintario grant in 1976 for \$30,000, the Grimsby Public Art Gallery has received eight grants that were funded by lotteries, and I have attached a list. I just want to talk about a few of them. The first one of course, the \$30,000, meant that we have a gallery in Grimsby and it is a very beautiful space as you will see if you look at our brochure.

In 1978, the gallery was able to purchase, with the assistance of a Wintario grant, a large outdoor sculpture, Double is One by Kosso Eloul, an important Canadian artist. This sculpture is installed outside the gallery and has become a landmark in our town. We have chosen to feature it on our brochure—you can see it on the front of our brochure—and also on our letterhead. The Ontario Association of Art Galleries and the Ontario Society for Education through Art have selected Double is One for their educational slide package, Viewing Art in Ontario, which will be made available to teachers throughout the province this coming fall.

On September 8, 1989, we received approval of a cultural facilities improvement grant which will pay one third of the cost of installing an extra set of doors on the gallery. This is the only grant application that I have been personally involved with and I am absolutely delighted to have these funds. This will enable us to better control heat and humidity levels in the gallery.

All the projects assisted by these grants, whether they be improvements to the building, works added to the permanent collection, educational projects or help for artists could not have been funded by our regular budget. They were possible for us only because of the lottery-based funds that were there to help.

Over the years since 1976, the Grimsby Public Art Gallery and its volunteer committee have received Wintario grants totalling \$52,928. This must seem a very piddling and insignificant amount to you, but to the gallery and the community of Grimsby it has been very important indeed. It has enabled a small community to enjoy a thriving and professional arts facility, a facility that has contributed considerably to the spiritual health of its community. The funding we receive through Wintario and other lottery-funded grants is a very necessary part of our budget.

On behalf of the Grimsby Public Art Gallery and the town of Grimsby, I



urge you to amend Bill 119 in order to ensure that: (a) the accumulated profits of the dedicated Ontario lotteries be treated as a trust fund and the interest thereon be allocated annually for the support of culture, recreation, sports and fitness; and (b) one third of ongoing annual profits of all six lotteries should be allocated for support of culture, recreation, sports and fitness.

Mr Thompson: I am Bill Thompson. I am a volunteer director of the Grimsby Museum board and Janet Cannon is the curator. Hopefully, if you have any questions, Janet will answer them because she knows what she is doing. I have a copy of my written remarks for the clerk and I have a copy of a background on the Grimsby Museum for the committee's purposes.

I wish to thank you for the opportunity to speak on the concerns of our museum and, we believe, of various other similar organizations. I realize that you have heard several speakers, and many more are yet to follow. I will try not to be too repetitive with the points that have been raised to date, but you will understand if we have commonality of concern with these other organizations.

The general perceived concern is that, quote, our money, unquote, is to be taken from us for hospital and medical use and we will lose the specific allocation that we have had in the past. I realize that it is not quite that simple, but I would like to deal somewhat with the perception from our point of view.

As a small community museum, we have very limited resources. Funding for our growth, development and management is limited. We rely on funds such as affected by Bill 119 for some essential projects. Humidity and temperature controls for our artefacts, computers for cataloguing are essential to the protection of our artefacts and to our community's heritage. Yet we do not have the resources to provide these items ourselves.

Unfortunately, we are not a business centre for major service and manufacturing industries who are willing to sponsor large fund-raising events at \$250 per ticket.

Lottery funds are very important to us. We cannot argue with the need for increased funding for medical needs. We also cannot compete with that need.

We are not a major institution such as the Art Gallery of Ontario or the Royal Ontario Museum with development staff, program staff, etc. At the Grimsby Museum, \$1,000 goes a long way. It will buy new shelving for the storage of artefacts and it buys audio-visual equipment for programs. We have enclosed a list of some of the grants we have had and the equipment we have bought with them.

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The percentage of funding for our projects has been cut. Funding for projects seems slow and uncertain. We see a source of our growth diminishing. The preservation of our culture will never compete with the demands of health care. However, we do not believe these demands should be at the expense of culture.

The current structure was put in place to ensure that culture would not be forgotten in the annual allocation of funds. It would now appear that the proposed changes will diminish that assurance. Whenever the realities or

perceptions of politics are involved, organizations such as ours are subject to change, often as a result of a change of political winds. We believe that this is inappropriate.

Our recommendations would be as follows:

1. Remove the allocation of lottery funds for culture, recreation, sports and fitness from government authority.
2. Establish an independent foundation for the management and allocation of lottery funds.
3. The accumulated profits of the dedicated Ontario lotteries should be treated as a trust fund and administered by the foundation.
4. One third of the ongoing profits of all six lotteries should be allocated for the support of culture, recreation, sports and fitness in capital projects and nonrecurring purposes.
5. Ten per cent of the ongoing profits on an annual basis should be added to the trust fund as a capital account for the growth and future preservation of the trust.

We cannot stress enough the needs of the many small cultural organizations such as ourselves. We are not life and death. We are not trendy, most of the time. We are not neon and glitter. We are those organizations who can put today's life and lifestyles in perspective. If we fail as organizations, we all fail. We will have lost what we cannot regain.

Instead of cutting allocations, we should be growing. Instead of moving money from A to B, we should be growing by examining how we meet the new needs with new programs. We encourage you to be futurists by helping us to preserve the past. Do not remove from us one of the ways we are able to grow and develop.

Ms Rashleigh: As we are a library gallery, I have brought along a letter from the chief librarian. May I read that?

The Vice-Chairman: Yes, you may put that on the record.

Ms Rashleigh: "I am writing to express my concern over the potential loss of lottery funds to Ontario cultural and recreational facilities.

"As chief librarian of Grimsby Public Library, I have received many grants over the years to supplement our services. These grants from lottery funds have allowed us to expand our large print book and audio tape collections for seniors and the disabled. Also, many books in the Dutch language have been purchased for our Dutch-speaking residents. The library has several works of art in our building which were purchased with the help of lottery funds.

"Over the last couple of years I have noticed that the lottery fund grants are getting harder to obtain and it takes a much longer time to get them approved. At the same time I understand that the government has a surplus of funds from lotteries which it wants to allocate elsewhere. The reassurances that our grants will be protected are not convincing since the evidence of the process slowing down and only particular funding being received even now contradicts this.



"I hope the committee will consider my concerns.

"Sincerely,

"Barry Church, chief librarian."

The Vice-Chairman: Just leave it there and we will get the clerk to copy it. We have approximately five minutes per caucus. The first person to question or comment is Mr Laughren.

Mr Laughren: I appreciated your brief. It came right to the heart of the matter and that is helpful. You are the second group, and both today, which has recommended an independent commission to look after the disposal of lottery profits. It is interesting. We had not debated that on the committee.

Mr Thompson: We look at it on the basis that if it is not an independent authority, it then remains government money in pocket A, B, C or D and governments tend to move money from A, B or C depending on which pocket is lighter. We felt by moving it to an independent authority the moneys would then remain allocated to that purpose.

Mr Laughren: It is going to be difficult to get the government to do that—any government I would suggest; I am not saying just this government—to give up control over that \$500 million a year. It is a tough one, but it is a very interesting proposal. It is one we will be looking at, certainly as opposition members, to see whether there should be an attempt to make an amendment to that.

Mr Thompson: There are a number of foundations in the province and in the country, of course, that do fund cultural and other organizations. We believe this would be a permanent memorial to this kind of funding and allow some independence and perhaps allow a different kind of funding in the sense that it would not be subject to the whim of the government of the day whether it advanced the funds or did not or withheld them. It would be subject to the guidelines and subject to those alone.

Mr Laughren: You could also, could you not, use this commission as a fund-raising mechanism itself? I am thinking of getting corporate funds in as well.

Mr Thompson: Other moneys could come in from outside.

I would think that by setting it up independently and setting it into a foundation—at some point in time lotteries will not be the same as they are today. Things will come along to replace them; other things will change. Therefore, the funds may not be available to organizations like ourselves in the same manner. By establishing a separate foundation, you ensure that that is there for ever and that there is something there, by the building of 10 per cent per year and by having the original funds put in there.

Mr Laughren: That is an interesting proposal, and I could see it being established as a tax-exempt foundation or that kind of thing. That is a very interesting proposal.

This is more of a comment than a question. I have been impressed by the amount of outreach that organizations are doing out there—I am thinking of libraries, museums, symphonies and galleries—with people who are, as you mention, in the public art gallery; the seniors' groups, disabled and so

forth. I think that is another area that should be considered when we attempt to amend this bill. Some of us are attempting to make amendments to the bill.

That should be seen as added ammunition to guarantee at least a third funding because of the preventive medicine, if you will, that you represent by doing those things with disadvantaged groups, seniors and so forth. I think that really is a big plus in the favour of the culture and recreation groups. That is part of what they are doing. It is not just a self-serving organization. I think that really stands you in good stead.

How big is Grimsby?

Mr Thompson: Grimsby is about 16,000 people, with another couple of communities close by: Smithville or West Lincoln, and Beamsville, both being of smaller size.

Mr Laughren: The reason I ask that question is that over the last couple of weeks I have been struck by the importance of this kind of money to small communities. A place like Toronto or Ottawa needs the money and needs the funding—I am not trying minimize that—but for a smaller community like Grimsby it actually can be critical to something happening.

Mr Thompson: This was the approach we took in our presentation, that \$1,000 means a great deal to us because we do not have the base to be able to have the dinners and the fund-raising like the Art Gallery of Ontario and the Royal Ontario Museum. I do not dispute them the funds, but they get \$30 million or \$40 million at a time for major projects and we are looking for shelving, humidifiers, dehumidifiers and things like that. We get support from our community, but we do not have the size and scale of community to do everything.

Mr Cureatz: Mr Laughren was pursuing a line of questioning about the independent foundation that I wanted to pursue. I will just take a moment. We have not seen that presentation very often. Generally speaking, there has been a united approach to what has been proposed under this piece of legislation. My thought is your second stand—no, I will not presume. Thinking in terms that the proposal that you have suggested will probably not meet any kind of possibility of acceptance, what would your alternative suggestion be?

Mr Thompson: We would certainly like to support the association's position of the retention of the unallocated funds to date, if that perception is correct, and the allocation of at least a third to museums, culture, recreation and fitness. Those are the basic premises. We felt that the others allowed some future growth, future support and future independence of this support.

Mr Cureatz: I am glad you clarified that. The only reason I ask is that hope springs eternal. I think that maybe, just maybe there might be some light at the end of the tunnel, especially with all the groups that are coming forward that are saying the same thing in terms of the united approach. I wanted to get that clarified for the record, to feel comfortable that notwithstanding your foundation position, you are more than satisfied with the overall approach.

Mr Thompson: The five recommendations we have are basic. The foundation is the additional, the extra piece to enhance it, we believe.

Mr Pelissero: Thank you for your presentation. I probably should



declare my conflict of interest at the beginning, in that I am a member of the art gallery. We want to get that out of the way so we do not have any—

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The Vice-Chairman: A contributing member.

Mr Pelissero: Yes.

Mr Laughren: I thought you were an exhibit.

Mr Pelissero: Back to the future exhibit.

I would like to come at it from a different perspective as well, in that I served a year as parliamentary assistant to Tourism and Recreation when Bill 38 was being kicked around and I know some of the background to this. I have had the opportunity to substitute, and the feeling that I get from groups, such as yourself or the parks and recreation department from Toronto that put together a nice, glitzy, probably nonrecyclable, brief—

Mr Cureatz: Attaboy. Fire it to him. All these other guys are gone.

Mr Pelissero: That is right. The concern has been one of consistency and assuredness in terms of funding for projects. You point out that \$30,000 helped the gallery and other institutions get going. Obviously, lottery funding is not the only source of funds available to either the museum or the art gallery. I would be interested if you would share with the committee some of the other types of funding, both from the private sector and from other government ministries, either in percentage or as a percentage of your operating budget or your overall capital budgets. Do you have any figures along that line?

Mr Thompson: In the case of the museum, the town of Grimsby municipal levy funds 58 per cent of our operating costs and the provincial operating grant funds 22 per cent of our operations. We received an Experience '89 grant for three per cent, and self-generated funds such as membership fees, admission fees, room rentals, etc, are 17 per cent. This is from the fact sheet that we have.

Our attendance for a town of about 16,000 people serving a regional area of about 20,000—we project about 4,800 people through the museum this year. I think we had over 1,000 people attend the exhibit on the Titanic that was circulating. So we do get some people through to see what we have, what we are preserving. I come back to the point that was made earlier over here, that we also have an educational support factor in that one of the requirements of our mandate is to support the educational system. We have school tourists through there on a regular basis, educating students as to our background and heritage.

Ms Rashleigh: I cannot give percentages but our total budget is approximately \$129,000 this year. We have a grant from the Ministry of Culture and Communications for \$13,970, we have a grant from the Ontario Arts Council for \$16,500 and we have a grant from the town for \$74,773.

Mr Callahan: Can we get those reproduced for the committee if the presenters are prepared to allow that?

Ms Rashleigh: But I do want to point out and what I was trying to point out in my statement is that this budget that I am talking about covers

the basic necessities of living. The special grants that we get enable us to become more than ordinary.

Mr Pelissero: Also I am sure the budget does not reflect, as it would with other community-based cultural organizations, the literally hundreds of thousands of hours that the volunteers put into making the organization run. I guess when I hear the groups come forward, they have all said, "We want a third for cultural and recreational activities." I am assuming that we are talking about what you would call the extra, as opposed to looking at simply rolling everything that you are getting in from Culture and Communications and other sources, the arts council, etc.

Ms Rashleigh: That is right, because all of those funds are earmarked for special things in our budget. For example, the new set of doors we are going to put on the gallery this year will make a tremendous difference to us. It will enable us to borrow exhibitions from the Art Gallery of Ontario because we will be better able to control our climate in the gallery. That is the kind of thing we cannot put into our yearly budget and for which we need those extra funds to support us.

Mr Elliot: Could I make a point of information, briefly? For the information of the committee, this morning it was being sorted out exactly, because of the announcement yesterday with respect to parliamentary assistants and chairmen of committees, when the transfer date would occur. The logical thing has been reaffirmed. The orders in council said, "Make all of that announcement from yesterday effective to go into force on 10 October."

The point of information is that I will be able to chair the committee for our final week, the third week, and will reassume the chair this afternoon. The other reason for wanting to make this point of information is that I thought we could introduce our new chairperson after 10 October as Mr Pelissero, who is sitting beside me here. We will be collaborating together so that there is continuity in this particular committee.

Mr Laughren: Just on that matter, congratulations to Mr Pelissero and to the present chairman for the job he has done. I am confused about these appointments, though, because I thought committee chairmen were elected by the committees.

Mr Cureatz: Yes, good point.

Mrs Marland: That is right.

Mr Cureatz: They are nominated by the House. That is pretty crafty.

Mrs Marland: That is right.

Mr Cureatz: We should maybe dismiss the deputants.

The Vice-Chairman: If you wish we could thank the deputants at this time. If we want to get into it we could get into it as a debate.

Mr Elliot: We should clear that up, because I was in error in what I said. The orders in council are just for the parliamentary assistants. The chairs of the committees are elected at the appropriate times.

The Vice-Chairman: That is right.

Mr Laughren: But I did see a list.



Mr Elliot: His name is being put forward on the government side as a nomination.

Mr Laughren: I see. I just wanted to make that clear.

The Vice-Chairman: Or we could have an election.

Mr Laughren: I hope so.

The Vice-Chairman: Thank you for your presentation. I appreciate you taking the time to come.

Mr Thompson: Thank you. I have a copy for the clerk of our background information.

The Vice-Chairman: This committee is adjourned until two o'clock this afternoon.

The committee recessed at 1208.

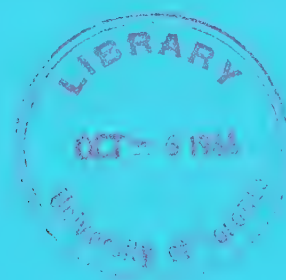
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STANDING COMMITTEE ON GENERAL GOVERNMENT

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989

THURSDAY 21 SEPTEMBER 1989

Afternoon Sitting





STANDING COMMITTEE ON GENERAL GOVERNMENT

CHAIRMAN: Elliot, R. Walter (Halton North L)

VICE-CHAIRMAN: Faubert, Frank (Scarborough-Ellesmere L)

Bryden, Marion (Beaches-Woodbine NDP)

Callahan, Robert V. (Brampton South L)

Charlton, Brian A. (Hamilton Mountain NDP)

Cordiano, Joseph (Lawrence L)

Cureatz, Sam L. (Durham East PC)

Fleet, David (High Park-Swansea L)

McLean, Allan K. (Simcoe East PC)

Ruprecht, Tony (Parkdale L)

Sola, John (Mississauga East L)

Substitutions:

Farnan, Michael (Cambridge NDP) for Ms Bryden

Laughren, Floyd (Nickel Belt NDP) for Mr Charlton

Marland, Margaret (Mississauga South PC) for Mr McLean

Reycraft, Douglas R. (Middlesex L) for Mr Ruprecht

Clerk: Carrozza, Franco

Clerk pro tem: Mellor, Lynn

Staff:

Anderson, Anne, Research Officer, Legislative Research Service

Witnesses:

From the Ontario Parks Association:

Hergott, Vic, President

Salvadore, Fred, Past President

From the Ontario Council of YMCAs:

Labatte, Henry, President and Chief Executive Officer

From the City of Scarborough:

Fleury, Bruce, Commissioner of Recreation and Parks

From the Te Deum Concerts Society:

Birney-Smith, Richard, Artistic Director

From the Board of Education for the City of Windsor:

Payne, Stephen C., Director of Education

From the City of Sarnia:

Wood, Ted, Director of Recreation

LEGISLATIVE ASSEMBLY OF ONTARIO  
STANDING COMMITTEE ON GENERAL GOVERNMENT

Thursday 21 September 1989

The committee resumed at 1406 in room 151.

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989  
(continued)

Consideration of Bill 119, An Act to amend the Ontario Lottery Corporation Act.

The Chairman: The chair recognizes a quorum. I would like to welcome everybody to the standing committee on general government. We are considering Bill 119, An Act to amend the Ontario Lottery Corporation Act.

Our first presentation this afternoon is on behalf of the Ontario Parks Association. Vic Hergott, the president, and Fred Salvadore are the presenters.

ONTARIO PARKS ASSOCIATION

Mr Hergott: My name is Vic Hergott, president of the Ontario Parks Association. I am joined today by our association's past president, Fred Salvadore. We are here today to ask for your attention and acknowledgement of our association's plea that you recommend that the proposed Bill 119 be rescinded. The bill in our opinion would clearly have a significant negative impact on the development and maintenance of qualities and services Ontario residents have become accustomed to and in our minds clearly deserve.

The Ontario Parks Association is a province-wide organization of 700 members representing some 260 municipalities, conservation authorities and boards of education. We are dedicated to the advancement of parks and recreation services, civic beautification, conservation and protection of our heritage and of the natural environment of Ontario.

The Ontario Parks Association totally supports the position taken by the Parks and Recreation Federation of Ontario of which it is a member.

Mr Salvadore: Historically, parks have taken a back seat in municipal funding priorities. Parks were considered a soft service. We are here to tell you that parks are an essential service today. Parks historically were part of recreation and the pressure from hockey, baseball and other active sports groups was always primarily for the development of recreational facilities. Park supporters were in a minority at one time and even scorned by their athletic neighbours.

Nearly 40 years ago the province of Ontario took a bold and dramatic step. It decided and decreed that five per cent of all new residential development and two per cent of all new industrial or commercial space be set aside for the developing of new parks. Most of the existing municipal park structures in Ontario today are a direct result of this innovative and progressive policy.

Mr Hergott: Now it is time for leadership from a new generation of politicians and practitioners to promote and continue the advancement of green



space throughout the province. We need a bold, inventive, all-encompassing funding policy if the province's existing park land is to be preserved, new parks created and waterfront and wilderness areas declared the heritage of all residents. We see the following as the main problems at this point:

1. An ageing population and changing values have created new demands for open space while the dollars available and land are declining.

2. Waterfront developments are often seen as luxuries by elected officials. The key component of any waterfront project is the provision of parks and other open spaces, but too often there is a tradeoff of space for these buildings or facilities.

3. The five per cent rule is under attack from all quarters.

4. The competition for the tax dollar at all three levels of government is so intense that the loss of revenue from lotteries would be a catastrophe for municipalities.

Despite reassurances from the present provincial government, the passage of Bill 119 would put parks and hospitals in an adversarial position. Parks and the public would eventually be the losers.

Mr. Salvadore: At one time, the value of walking on grass in the middle of a city was questionable, and certainly there are many of us who saw no physical or mental need for it. Today, there is no one who fails to see the benefits of allowing people to escape the stress of daily life in any community. People today not only recognize the need; they are actively campaigning for more parks.

Pressure for open space and recreation and water development programs continues to be proactive. More and more adults are competing with their children and even their grandchildren for the use of the open space. Their wants and needs today are vastly different from those that existed between the two world wars and even in the 1950s and 1960s.

These changes in values, especially with regard to the worth of some sort of outdoor activity in the establishment of a healthy lifestyle, mean the demand for open space will increase. The need for all levels of government to control spending on one hand and to reduce their debt load on the other is accepted by all parties in this debate. Yet some of us remember the Brooklyn Dodgers after losing the World Series several times to the Yankees always said, "Wait till next year."

We are telling you that waiting until next year is not good enough. We must be positive. We must accept the philosophy that access to open space in every community is a basic right. It is equal to the need for affordable housing and for the demand on social services. We want to place our demands in the same priorities.

Communities need provincial funding to make it possible. We realize that. The provision of committed funding for adequate conservation and the development of parks and open space would, in our opinion, in the long term show savings in health care costs and in time return much greater dividends.

Mr. Hergott: There is no secret that there is a natural attraction between mankind and water, which has been long recognized but today is seen in a new light as people demand access to waterfronts. The errors of the past, in

some cases, are being corrected through the reacquisition of land once sold off by municipalities and other public bodies to the private sector.

While Toronto is the best example of a city trying to make the best use of its waterfront, through public debate and study, other municipalities are doing the same thing in smaller ways all across Ontario. The small municipalities are having trouble developing and maintaining their park and open space systems. Their preference, in too many instances, is to put waterfront development on the back burner.

Those who have started even the preliminary planning stages depend on outside funding. In most cases, these are multi-year projects which require long-term assured funding. That funding must come from the two senior levels of government because private enterprise wants something in return for participation and all too often that price is just too high.

While Canada's population is growing, the amount of waterfront suitable for development is fixed. That means population pressure to use existing green land along waterfronts is both a cost and use factor. Parks and open space are like humans: they deteriorate with age and use. Thus, we cannot be happy with what we have today and on the planning boards for tomorrow. They simply will be inadequate. We need the 100-year vision of the European mind, so to speak.

An ongoing commitment to fund the acquisition of waterfront, park and wilderness lands across Ontario must be made today if our grandchildren and even great-grandchildren are to enjoy green grass, wildlife and solitude combined with a view of and access to the water.

Mr. Salvatore: Under the five per cent rule in Ontario's Planning Act-- and most of you are familiar with it--a developer must give five per cent of the space in a new residential project to the municipality; in new industrial and commercial projects, the dedication is two per cent of the space. Now there is an option, therefore, of the municipality to accept cash in lieu of land. The practice of tradeoffs is not unusual. There have been many large boroughs, especially the sophisticated and large cities with the financial wherewithal, that have been successful in those tradeoffs for buildings and facilities or other services in lieu of land.

The province is aware that this has the potential to be a major problem. This is proved by the remarks made not so long ago made by the then Minister of Municipal Affairs, Bernard Grandmaître, to the Urban Development Institute in May 1987:

"You all know that cash contributions have been considered as an alternative to the satisfaction of requirements for onsite park land, parking, housing and other community amenities. I am concerned with the increasing proliferation of these kinds of arrangements which can prejudice the integrity of municipal plans and the fabric of the community."

We partially agree with that and we are glad that he recognized it.

We all know of the many ways a developer can make an offer that a municipality cannot refuse. We know that they are providing day care centres in lieu. Some of them are getting involved in reductions in apartment building guarantees; others are providing extra parking in lieu. Also all of this leads to the elimination of the five per cent of the land being dedicated for parks. We do not want to suggest that we have to change that, but we think that there is a potential problem on the horizon in the future, especially with pressure coming for dollars.



The decision by the government this year to allow school boards to impose lot levies on not only the residential developments but commercial and industrial projects means that developers may be facing now huge and enormous new costs. At the same time, the province has indicated that it will reduce funding to the school boards for capital projects because lot levies will provide new moneys to the boards. We in recreation, parks, sports, fitness and culture obviously find that parks and recreational facilities will be squeezed between boards and municipalities even more on the one hand, and on the other hand, the developers need to meet the new costs and now we are possibly going to get crushed in the competition with hospitals.

They will want to increase densities wherever possible and use every inch of the land. It is common across this province now with the fantastic growth and the requirements for land that we do not want to see land lost and we need money to recover and recapture. They will come up with all kinds of schemes to get around the five per cent rule. Thank God that we have the five per cent rule. We predict that the elected officials at all levels will receive a certain amount of sympathy or they will provide a certain amount of sympathy to the developers when they come wanting to have even greater tradeoffs.

We also fear that the proposed lot levy system will lead to the building and development industry attempting to eliminate the five per cent rule. We know that the Planning Act is very strong and we are very happy that it is there. We strongly support its retention but perhaps the province might want to examine later on some restrictions on the right of municipalities to make tradeoffs, or certain types of tradeoffs.

Mr Hergott: We would like to pose the following question to you: Should the public be forced to choose between medical services, especially hospitals, or parks? The existing legislation designates lottery funds for parks, recreation, culture, sports and fitness. The competition was always between these various uses, but none has the heart-touching appeal of medical services.

We fully realize that the cost of medical services has become a major issue, taking up to one third of the provincial budget and growing annually. We all appreciate that an ageing population means elected officials are faced with tough decisions and little room to manoeuvre. However, we feel the current government's proposal to have parks and health services compete for the same funds is totally unrealistic. We need a clear park funding policy, one which states that Ontario will not mix the apples with the oranges, so to speak. It must state to the country, and for that matter to the world, that the need for green space is recognized, that it is an objective of the government and that it indeed merits long-term funding.

1420

This type of objective can only be achieved by a declaration that the committed lottery funds now and tomorrow will be used for their original intention. May we suggest that to use lottery funds for hospitals is merely a short-term solution that postpones the day when Ontario will be forced to make even tougher decisions in the field of medical services. To mix parks with this issue is to divert time, energy and resources into an argument which would merely be a distraction from the real and enormous problems within the health care system.

Mr Salvadore: "As you walk through life, take time to stop and to

smell the flowers." That is an old saying that many of us are familiar with and it is in danger of disappearing from our vocabulary because flowers will not grow on concrete and asphalt. The attack on the Niagara Escarpment, not only by the land owners themselves, farmers and developers, but by municipal councils, planning boards and other regulatory bodies is proof that open space is an open target.

We face and accept the reality that we always will have to be vigilant in guarding existing open space and its priceless benefits. We are asking you to face and accept the reality that the lottery funds are the last major source of discretionary funds left in Ontario. To allow hospitals and the Ontario Trillium Foundation access to even more funds is to squeeze out parks and recreation facilities. This is not and never has been a discussion about money. It is about a philosophy for land use and for the right of this generation and future generations to smell the flowers.

Our recommendations primarily do not single in exactly on Bill 119; however, if Bill 119 is eroded in any way, it will only add to the present crisis we are facing and the pressures we have advised you about. We are suggesting some thoughts that particularly you may wish to consider when you come to look at amending Bill 119:

1. That the present use of lottery funds designated by existing legislation be continued and improved upon for the parks and open space.
2. That the province commit itself to the funding of park, wilderness and waterfront projects, both acquisition and development, and that the philosophical concept that humans have a right to access to water be defined and accepted.
3. That an ageing population and changing values have created the right of every member of every community to have access to parks and recreation amenities and to use them in any way which will lead to personal satisfaction and a healthy lifestyle.
4. That the present five per cent rule be retained with a study of possible restrictions on the right of municipalities to accept payment in other values.

As I mentioned, they may not be particularly specific points directly applied to Bill 119. We are trying to reinforce the necessity of using Bill 119 for our services.

Mr Hergott: In closing, the Ontario Parks Association urges you to think carefully about how the government's proposed amendment would affect our profession and industry. Although our brief lends itself to a degree to the altruistic approach, let's not overlook the fact that committed funds earmarked for parks, recreation, culture, sports and fitness are definitely necessary to keep pace with the growth and demands within our municipalities.

On behalf of the Ontario Parks Association I would like to extend to you our very sincere appreciation for this opportunity to speak with you.

The Chairman: Thank you very much for your presentation. I have a number of people on my list. First is Mr Farnan.

Mr Farnan: Vic, I would like to say thank you to you and your colleague for an outstanding brief and a very different brief. Really what I



have to say is not a question; it is more a comment. As a young man contemplating emigrating from Ireland, Canada appeared to me as a land of open space and just tremendous opportunity. I never dreamed at that time that I would be sitting on a parliamentary committee hearing delegations say, "For goodness' sake, protect our open space." It would have been inconceivable to me just short years ago that this scenario could ever take place.

I think what you have done for the committee, and maybe through us to the government, is to paint the broad picture of division for the future and also to warn us of a disappearing opportunity, because the opportunity to protect the green space will not be with us for ever. It will soon be gone, as I think you pointed out. I think what we are talking about, and certainly as an alderman I experienced, is the tensions between protecting green space and development.

I think of my own community of Cambridge, our community of Cambridge, and the work that is done on the riverbank. Development will take part of that extended riverbank unless it is protected. I think of the opportunity of the rails to trails, the railway lines that are being abandoned that could be converted into linear parkways for recreation of immense types. That is a once-in-a-lifetime opportunity.

I think what is required indeed is the political will and the determination to provide the funding to people like yourself who want to work in partnership with the government and to the literally hundreds of thousands of volunteers out there who want to develop in Ontario a quality of life and lifestyle, not just for ourselves but for our children. I want to thank you again for what I consider to be a very profound brief. It goes way beyond what I think this committee is dealing with in terms of just the issue of lotteries. I think you have given us a blueprint for the future.

Mr Reycraft: Thank you, Vic and Fred, for your presentation this afternoon. The existing Ontario Lottery Corporation Act, chapter 344 of the revised statutes of the province, in section 9 dedicates lottery funds "to be available" for culture and recreation. What is your understanding of why that section was included in that bill when the law was put in place 15 years ago?

Mr Salvatore: I go back to that, remembering how tough it was to fight for the kinds of dollars, and I remember when the outcry came about using lottery funding primarily to help the soft services, so very simply at that time we were very happy. We now realize that perhaps some of the pressure from government was going to be taken away, and using the lottery funds, and there was a combination of how it was going to split them up. It was a very moving decision at the time, and we were quite happy to have the commitments they attempted to make under that section.

Mr Reycraft: I have assumed that section 9 was included in the bill to satisfy certain people. Can you tell me whose concerns it was designed to satisfy? Was it recreation groups?

Mr Salvatore: The concerns primarily of the people, as I say, in the soft services; primarily ourselves in the recreation, sports and fitness areas, which included as well those areas that had a tough time getting funded; as well, the cultural and the parks groups.

Mr Reycraft: Did they see it as a concession being made by the government in return for getting something or giving something?

Mr Salvatore: I am not so sure about getting something as much as I

believe it was a concession given by the government because of the amount of pressure that was brought up at that time.

Mr. Reycraft: What was the tradeoff, what was the quid pro quo?

Mr. Hergott: If I may, I would certainly like to offer that, from my experience and my professionalism, I feel that what we are really trying to do, as Fred alluded to earlier, is try to keep up with the demands. Society was changing very quickly at one point not too many years ago. We can certainly all remember back to when the economy was not nearly as buoyant and healthy as it is now. Obviously at that point there was much more pressure and demand to provide services and facilities, if you will, for many people who were, I will say, in somewhat of a depressed situation. Consequently, what we were able to do was enhance that and further to complement that to develop what we feel to be a very strong, satisfactory quality of life for the people of the province.

The Chairman: You will have to wind up fairly quickly, Mr. Reycraft. I have another two questioners who need some time.

Mr. Reycraft: As far as I know, this is the only piece of legislation that dedicates revenues the provincial government receives for any specific purpose. What I am trying to determine is why it was included in this legislation. I assume there must have been pressure on the provincial government to either not get into the lottery business at all, and it might have been done to satisfy those people who were concerned about the morality of that, or was it done to satisfy concerns specifically in the culture and recreation areas?

1430

Mr. Salvadore: It has always been our feeling that it was done to satisfy the interests of culture and recreation areas. We have always believed it was that way and it was always our perception as well. We have never been told differently.

Mr. Reycraft: Did culture and recreation lose anything as a result of the implementation of the lotteries act?

Mr. Salvadore: I think there has been a great gain. It is obvious from the amount of facilities and the amount of work that has taken place in capital projects since the inception of that special dedication.

The fear we have is that when you take the large Ministry of Tourism and Recreation, and the recreation component, which probably operates with a total of \$400 million for the whole province—give or take, I am not sure—what we do not want to have happen is to take the funds that are dedicated now to help run that ministry as well and reduce the dollars that are going to be given out to the community. Right now, the way we see it, very simply, is that the ministry runs with its allocation from government, and the people and the public have access to capital moneys that are in addition to what that ministry offers.

Mr. Cureatz: Time is running. I would like to have just a bit of background. From time to time I have asked various other groups this. So that we have an appreciation of the number of people you are representing, either directly—you indicated the usage of the park. You could almost go indirectly, if you had statistics of people who would use the facilities.



First, the smaller question: Could you give me a quick overview of the Ontario Parks Association? I am embarrassed to say I do not have a good handle on exactly what groups that categorizes, how many people. Second, do you have any statistics about the number of users?

Mr Hergott: The association itself is comprised of approximately 700 members at this time. It represents a cross-section of municipal parks and recreation professionals, representatives from the school boards and conservation authorities—

Mr Cureatz: Do they represent people from provincial parks?

Mr Hergott: We do have a few provincial body members as well, yes.

Mr Cureatz: I am embarrassed to say this, too. How was this organized originally: at the provincial level, that those involved with parks organized an association? Do you meet annually?

Mr Hergott: Actually, the association originated prior to the Canadian Parks and Recreation Association. It was the founding stone, to a degree, of that association back in the 1930s. After that, the Canadian Parks and Recreation Association was formed from, again, the Ontario Parks Association. The Ontario Parks Association then went into somewhat of a limbo state, if you will, and re-formed itself in 1956, and since that time, has become incorporated, etc.

Today we are what we feel is a very professional and strong force representing the objectives I outlined earlier. We also promote ourselves through an annual conference every year that rotates around the province. We are very, very strong in developing the educational aspect. We have a number of educational seminars that are held across the province and sponsored by our organization.

Mr Cureatz: Out in my riding we have the Ganaraska Region Conservation Authority. We have what is called the Cold Springs setup within a large forest area. Would that cover one of your memberships, that kind of thing, that you have, say, a conservation authority—through this area, Cold Springs and Ganaraska Forest Centre—and they promote the usage of the centre through the various school boards? I am just trying to get into the educational aspect. Is that the area that you cover?

Mr Hergott: Our educational opportunities are quite broad to serve the cross-section of our membership, so certainly what you are speaking to would be included.

Mr Cureatz: You said you had 700 members. Does that mean 700 people or 700 people who are representing parks?

Mr Hergott: It is 700 people, individuals, if you will.

Mr Cureatz: But they represent different parks throughout the province, do they?

Mr Hergott: Largely municipalities, departments, but as I said earlier, also boards of education and conservation authorities.

Mr Cureatz: So in some ways this is a reinforcement of what the municipalities have told us about their position on the bill, because in a lot of cases you overlap with municipal representation.

Mr Hergott: True, although we as an association want to make it a very distinct and separate voice as well. We certainly support, as we said in the document, the parks and recreation federation and any other organization or municipality that has been here, but we certainly want to make it very clear that we are the voice of the Ontario Parks Association as a separate entity.

Mr Cureatz: Finally—I am still trying to get an overall handle.

The Chairman: You had better wind it up.

Mr Cureatz: Okay. Thank you, Mr Chairman.

In terms of your representation, the people who belong to the association, if someone is from a municipality, I suppose that one representative represents the usage of those people of the parks in that municipality.

Mr Salvadore: The 700 people represent 260 municipalities. Of the 260 municipalities, we are talking practically all the major municipalities in Ontario and a large portion—I was membership chairman for several years—of the small communities. Out of 800 municipalities, when you start hitting about 300 municipalities, that is the best you can have, because the other 500 become towns, villages and organized territories. We feel we have a very strong representation across the province.

Mr Cureatz: That is what I am aiming at.

The Chairman: Thank you, gentlemen, for your excellent presentation. I am sorry we do not have more time to talk.

#### ONTARIO COUNCIL OF YMCAs

Our second presentation this afternoon is on behalf of the Young Men's Christian Association, the provincial office; Henry Labatte, the president and chief executive officer will be giving that presentation. I would appreciate it if you would introduce your colleagues for the record.

Mr Labatte: I will let them introduce themselves and in that way you can hear from them.

Mrs Smith: I am Claudette Smith. I staff the Ontario government relations office on behalf of the YMCAs in Ontario.

Mr Roger: I am George Roger and I work with the YMCA of Metropolitan Toronto in the area of financial and facility developments.

Mr Labatte: Just let me clarify; to staff the Ontario YMCAs means you do it 20 hours a week. There is no infrastructure; it really is on behalf of people. In your questions you can ask us about the organization of the YMCA, but it is not like a typical provincial office that has a lot of resources. It is the nature of how YMCAs try to use their resources.

I appreciate being here and I am pleased to have this opportunity to speak directly on behalf of the YMCAs in Ontario. There are 34 YMCAs in the province, and they are YMCAs and YWCAs. We distributed this material; what we are going to do is summarize and elaborate on the points. I will try to be brief in order to allow you time for questions. We are going to try to give



you a message that is a little different from those expressed by other organizations, because we are a private, voluntary organization and we anticipate that you might expect that from us.

Our message does not contradict what we think you have been hearing to date, because we clearly support the need of the government of Ontario to continue to make adequate funds available for recreational and cultural development. It is obvious that everybody would agree that these projects are essential to the enhancement of the quality of life of the citizens of Ontario. Our message differs in terms of the means.

In essence, we recognize that the government that represents the people needs to deal with other areas of priority, particularly hospitals. That is an obvious fact of life, because that is the mandate of governments, to deal with the needs of people. We understand that Bill 119 does not need to be passed in order for the government to transfer unallocated funds from the Ontario Lottery Corp to other undesignated purposes.

We regret that in the past surpluses have been accumulated and used for other purposes, even while recreational and cultural projects have been denied funding although they met the criteria. A recent YMCA example of this occurred in Kitchener. We believe that it is very unlikely that unallocated profits from the lotteries, of which we have an estimate of anywhere between \$270 million and \$400 million, are still available to set up a trust fund to finance future projects, although the creation of this trust fund would create a safety net to ensure that dollars would be guaranteed regardless of any decline in the profitability of lotteries.

1440

We agree philosophically with the Treasurer (Mr R. F. Nixon) when he says a good many people still think it is an inappropriate way to raise money, but it raises \$500,000. We are dealing with resources to people in this province. I think most people are pragmatic to understand that issue. We believe, though, that an appropriate funding mechanism must be developed, whether it is one third of the total profits from lotteries—another way of looking at it—which allows the Ministry of Tourism and Recreation to work directly with major organizations like the YMCA to formulate long-term development plans for community services in a planned and responsible manner; direct face-to-face consultation and simple, predictable rules.

I know some of you have had experience at the local political level and I will just make a comment here. It is always difficult for a private organization to operate through municipal councils when they have their own delivery of service. We have programs and municipal recreation has programs. There is not supposed to be competition, but let's be very pragmatic: there is. So if we have to negotiate through a municipality, it is only obvious; if I were on the municipal staff, I would be looking after my own goals first and other people's second.

This places voluntary organizations in a very tough bind; it is a fact of life. I think more than likely you have seen it. But we are saying that in some of these areas we would like to make sure that there are no middle men as we deal with government departments. I can tell you some informal stories and you can ask me questions about them and I would be glad to share them with you, but you more than likely have your own experience and do not need mine, but if you do I would be glad to share it with you.

years, and that gives us a fair sense of tradition. We have provided a broad range of service in five major areas. We have close to 60,000 children in camping in Ontario. We have what we call community and youth services, that is youth hostels, employment programs, immigrant resettlement. We are in the area of child care: 14,000 children, 200 government-licensed centres throughout Ontario. In fitness, health and recreation, there are close to 80,000 children. We have what we call enrichment programs, which would be something like adult education courses, a term some people might be more familiar with: That is about 90,000 people.

It is obvious that we do this in co-operation with boards of education, municipal governments and the provincial government. We are a private volunteer organization, but this is in the best sense of the word. Ontario society has an element of both private and public sector working together for the needs of people. We would come from that kind of point of view.

All YMCAs are incorporated charitable organizations. All YMCAs receive philanthropic support from their community. All YMCA programs and services are planned, delivered and evaluated by volunteers and staff in each community. In 1988 there were 500 policy volunteers and 18,000 program volunteers, about 1,400 full-time and 7,000 part-time.

We are a fairly proud organization but we are not naïve. In the scheme of the province we are what you call a minority institution, and we feel that way sometimes. Minority institutions sometimes have to fight for their rights. Many of our services were developed before government funding or regulations were in place. In Ontario the YMCA has enjoyed very positive support from socially conscious governments. We have seen this and I have been around for a period of time. Irrespective of parties, we gauge everybody in terms of the response of their people, and we see all parties in that kind of light. People are concerned about the people of the province.

To give you an example, in the early 1980s a major focus was on employment programs. Recently the government has provided significant programs for child care. We have been a beneficiary of lottery funding to the tune of about \$28 million in Ontario. Since 1975 this has been about 30 per cent of the capital costs that have been undertaken by the Y. So theoretically, for three government dollars you get seven private dollars. We basically like it that way because we do not want to be beholden totally to government. I do not like the the goods and services tax, as most people do not, but it does give you value added if you get it through the YMCA.

We have been concerned recently that the percentage of government support for capital projects has declined. For example, it represents only 10 per cent of a projected \$20 million cost on a new Mississauga facility. There has been a decreasing amount. When we first got into it in crude terms, it was approximately a third and then it got to 25 per cent and now it is 10 per cent as we negotiate with the Ministry of Tourism and Recreation. We are not too sure that is a good thing because you are getting too much now. We now get nine of our dollars for one of yours. We would like to up it a little.

The YMCA is facing a major challenge in Ontario in the next decade. A study we have currently conducted has found this is what we face: growing service expectations across the whole province. As governments get more efficient, we keep talking about putting it into the private sector. We are all competing for resources so you cannot move some stuff to the private sector sometimes.



A growing market area requires services. I know you people legitimately represent the total province and we are trying to represent the total province today. One of the unfortunate things, though, that I have to live with is that I live in Metropolitan Toronto and whether I like it or not there are great social needs that are unique to Metropolitan Toronto. There are great social needs unique in the province, but urban areas and rural areas do bring different kinds of needs. We would like to try to sort that out so that one does not pick on the other. In our experience, sometimes we play games with that.

There is a strong need for high-quality facilities and capital resources. There is increasing competition for a dwindling labour pool and there is increasing competition for fiscal resources. You people experience that every day as well. The municipalities, though, do have a tax base that volunteer organizations do not have. There is just no doubt about that. It is obvious it is easier to get things through taxes than it is through private donation or we would not have set up governments to help fulfil the needs of people.

In the metropolitan area of Toronto, Halton, Peel, Durham, York, Lindsay, Kitchener, Waterloo and Cambridge, projections call for a 40 per cent growth. All those municipalities, which all have YMCAs, face a 40 per cent growth in the next while.

Corporate donors report that hospitals and universities are citing government cutbacks as the major reason for increasing the number of campaigns and the major increase in asked-for amounts, particularly for capital projects.

I am going to stick my neck out a little, because we are now facing this in many other areas. We created a system that had major social institutions, and rightfully so, reliant upon the government for resources. It was really a political system we created. Now, with the squeeze, we are trying to rationalize that system and the rationalization of it really now drops the need for money back into the private sector.

We never used to have to compete with hospitals for donations. Now we do. When government introduces legislation and gets expectations up and then withdraws it, the fundamental issue is that the small community-based organizations pay a heavy price for that, because we do not have the infrastructure that municipalities or governments have. At the present moment, this is a major area of concern.

YMCA recognizes the needs as legitimate and we are concerned about philanthropic dollars. If our needs cannot be met by some government help, as well as philanthropic dollars, we are in deep trouble. The issue we are also dealing with is that there is a hierarchy, and you would know it better than I would know it because you have to get elected every year and are out there—not every year, thank God, I assume some of you think, but you have to get elected and as you go around you get the sense of where the hierarchy is in the community.

Health care will always be more important than recreation, and rightfully so. It is a life and death issue. Quality of life is not a life and death issue until you are facing death. So there is a hierarchy out there and we are trying to find our place in the hierarchy. If someone puts us up against hospitals and universities, you know what that means: We are third. If

we do not have some way of rationalizing that and taking our appropriate place, you know from my comment where I think we will be.

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The YMCA believes it is a cost-effective organization and a reputable provider of important services. We look forward to working with the government of Ontario on solutions to future needs in a simple, straightforward and flexible manner.

When demands are coupled with rapid escalation in construction costs, you must appreciate our concern about the potential cutback and the possibility of getting funding. We can give you some figures on that. YMCAs are prepared to raise funds for their own operations in philanthropic resources from the community to meet the challenge.

This bill allows the government of Ontario to correct its past use of designated funds and to broaden its future use. We have no objection to that. It also offers the government an opportunity to reaffirm its commitment to fund preventive projects with significant positive impact on the quality of life of the people of Ontario, and that is my issue around hospitals versus what we call preventive organizations. We ask you to ensure this occurs. We believe the YMCA will continue to need financial support from the government of Ontario in the future and that our capital projects may span the work of several ministries, including Health and Community and Social Services.

I will be a little facetious here. You know what interministerial committees are like. They are like private enterprise, competing with one another. They are supposed to solve problems but they also have to protect their own budgets so anything that gets us caught—we have our own bureaucracy, by the way. If we get caught in someone else's bureaucracy, then we have problems.

We are saying that a broader definition of the appropriate use of lottery funds as represented in Bill 119 is not inappropriate. It may need even a broader definition for the future, for example, to find future capital development for child care. Our point is really this: Have a look at what some of the ongoing social priorities are and do not totally leave that up to political decision-making. You have to have some insurance. You people have a lot of experience with insurance.

In our experience, variable and short-term program development funding does not encourage the wisest use of funds. What we are trying to say is that operational funds for short-term program development or short-term grants sometimes are not good use of funds. The funds really should quite often be used for capital. Keep the operational budget as clean as you can for operations and keep your capital budget as clean as you can for capital. Anything that mixes them up—there is a lot of mix-up because staff do need discretionary funds to do their job, but we are trying to arrive at a principle here. In our experience, variable and short-term program development funding does not encourage the wisest use of funds. Perhaps it would be wise to consider a provision that all lottery revenues be only used for capital purposes. Do not let people tamper with it.

I want to thank you for your time. You have our material. We will be glad to try to answer any questions you have.



The Chairman: Thank you very much for your presentation. I will pick up with the list where I left off. Mr Faubert is next on that list.

Mr Faubert: My questions originally were for the Ontario Parks Association. Part of it is echoed in your presentation and that is the perception that somehow you are being put in competition with hospital funding.

Mr Labatte: And municipal recreation within the municipalities.

Mr Faubert: And municipal recreation. But specifically you related to Bill 119. I would like to point out that the bill as it---at least you did not say you wanted to revert back to the original or as it is presently.

Mr Labatte: We are a little too diplomatic to do that.

Mr Faubert: I am sure you also have certain concerns about the way the funds have been allocated on the existing basis anyway, because I know the problems you have had with funding for the Scarborough Y.

Mr Labatte: Yes, that is correct.

Mr Faubert: Others will attempt to say that we are pitting you against hospital operating costs. By the way, your last point was an interesting one, because that has been made before too, that if there should be anything for the hospitals, it should be capital, not operating allocations.

Mr Labatte: That is right.

Mr Faubert: The operating expenses are the great consumer of funds.

We have an analysis of the bill here by our own research that points out the issue of prioritization of the funds under Bill 119 and how it is put forward. If I might just read, it talks about three sections in that bill:

"(a) the promotion and development of physical fitness, sports, recreational and cultural activities and facilities therefor;

"(b) the activities of the Ontario Trillium Foundation; and

"(c) the operation of hospitals."

It goes on to state: "The section, however, does not treat these purposes the same way. The section does not state that the net profits must be paid into the consolidated revenue fund to be available for appropriation for purposes (a), (b) and (c). Rather, the section distinguishes between purposes (a) and (b), on the one hand, and purpose (c), on the other," which indeed is not even mentioned within that section.

Clearly there is a prioritization within the bill as it is presented, and that obviously is not the perception that is out there. The perception out there is that it all goes into one fund and that you are going to compete directly for the expenditure of those allocations from the consolidated revenue fund.

I might just point out one other thing. It says, "There is prioritization in the sense that the net profits are initially available for

purposes (a) and (b) only," those being for the promotion of physical fitness, sports, recreational and cultural activities and for the Trillium Fund.

I think you will understand and appreciate both of those and that indeed any call on lottery funds will only be after the fact at the end of the fiscal year. If there are any left, they would go to hospitals, so in that sense and in the government sense of the bill, you are not being thrown in direct competition with hospital funding. Recreation has not been put in that same class.

Mr Labatte: I dwell upon your words. If there is a perception out there, I think it would be necessary to clarify it.

Mr Faubert: That may be the issue. That may be the problem with the bill as it stands now, that it is not clear.

Mr Labatte: Then the question is, is there any way, given the kind of research staff you have, of guaranteeing any security to some kind of method of allocation?

Mr Faubert: There is no guarantee of security anywhere in any government allocation.

Mr Labatte: Wait a minute now, Frank. I know you. You know me. That is absolutely correct, except that there are historical precedents that do provide securities. They do in a YMCA and they do in a government. You do have historical actuals from year to year. People can establish those. I appreciate your comment. A Legislature has to have discretion. I am talking around how people perceive security.

Mr Faubert: Right, but the budgetary actuals historically are not high enough; your argument is they are not high enough anyway.

Mr Labatte: That is right.

Mrs Marland: I want to use this opportunity to commend, through Mr Labatte, the organization of the YMCA and the work it does. We are looking forward, as you know, to the opening of our YMCA in Mississauga.

Mr Labatte: Frank is looking forward to the opening of their YMCA in Scarborough. Sorry about that.

Mrs Marland: We may have been the municipality that had the land.

I want to comment on the clarification that my colleague Mr Faubert has just walked you through so elegantly, because it obviously is not the same clarification you would receive from me. I want first of all to say that the perception out there with the public, which is the reason you are here speaking on behalf of the public you serve, is a perception based on fact.

The fact of the matter is that Bill 119 does not give any organization, even hospitals, any security about what is going to happen with lottery profits, other than that they "shall be paid into the consolidated revenue fund." The only thing we know from Bill 119 is that they "shall be paid into the consolidated revenue fund."



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In other words, if this bill is passed, lottery profits from that day forward become another form of taxation. All of that money goes into the consolidated revenue fund. It is a real little catch, except it is not little, a way of getting money into the consolidated revenue fund. Then Bill 119 goes on to say that the Lieutenant Governor in Council, who obviously acts on the direction of the government, "may direct," not "shall direct" but "may direct" into the two areas of funding that presently exist, and then, not "may" spend money on hospital operations, but "shall."

We have the mandatory word "shall" in two cases: One, it shall go into the general pot, and second, it shall be used for the operation of hospitals. But it does not say "shall" be used for recreation, physical fitness, culture and sport. That is why we are concerned, because there is no guarantee for anybody as to the amounts. There is no guarantee that the hospital operations will get any amount. There is no guarantee that once it is in the consolidated revenue fund, it will be spent on hospital operations and not highways and bridges and cutting the grass along the side of provincial highways, or anything else. There are no guarantees in Bill 119.

The perception of the people in Ontario is quite correct, and quite correctly, those people are concerned. We in the Progressive Conservative caucus recognize that the groups that are coming before this committee in these three weeks of hearings are gravely and justifiably concerned. We also recognize the tremendous amount of work and effort that goes into your being here and the preparation of your briefs.

We are not very optimistic, I might tell you, that the government is going to listen. What I think is really significant in groups like yours coming before this committee is that it is not only the groups coming with their own pleas and their own justification, from the three-person theatre group or the four-person dance group to an organization like the YMCA, but we also have all the municipalities that do not represent particular individual groups but represent people in this province.

We will be presenting amendments to try to make the bill say what it needs to say to protect your interests. If there is money to be spent on the operation of hospitals, we know the hospital boards of governors do not want their budgeting based on the whim of how much might be left one year or another in lottery profits, because that is not the way hospitals can budget and plan either. It is a very significant piece of legislation in what it does not say.

Mr Labatte: I think you appreciate, Mrs Marland and Mr Faubert, that the YMCA operates with the goodwill of everybody and we have to rely upon—I believe, by the way, in the parliamentary system; I do. I wish I understood it better but I understand it fairly well and my sense is we have to leave that with you. We really do have to leave that with you.

We operate from goodwill. I can appreciate your point of view and I can appreciate Mr Faubert's point of view and I think we have to trust your judgement to recommend what is best for the people of this province. We just have to do that.

The Chairman: I would like to give the third party an opportunity now to present a few moments of focused comment. I got so enthralled by Mrs

Marland, Mr Farnan, that I let her go on a little bit longer than I really should.

Mr Farnan: I appreciate the fact that we came to an agreement this morning, at the request of the third party, for equal time allocation and I expect that as a result.

The Chairman: I was beginning to wonder if Mrs Marland was in the room when we had that discussion this morning.

Mr Farnan: It is a comment, and what I heard from the delegation was an invitation. I heard, and this is my perception of what I heard, an invitation from the YMCA to work co-operatively with the government to provide services that would enrich lifestyle, health, social areas, etc. The first line of the brochure says: "Think about the YMCA! What comes to your mind?"

I can tell you that in my community of Cambridge, when I think of the Y—or the Ys, because I would include the YWCA—I believe our community is enriched by the presence of the Ys. I believe that you are indeed committed to improving the lifestyle of all citizens and you have a very good track record of a social conscience and in addressing particular needs as you identify them within the community. Because you are close to the community, I think you can serve the government well, because of your knowledge within the various communities across the province. It is very hard from the distance of Toronto to be able to say what is good in Windsor, what is good in Ottawa and what is good in Cambridge.

I believe that, because of your integration into the community, you can be a very valuable player with the government. I see you as a tremendous resource. The experience of the years of volunteerism, the dedication and the commitment of thousands of volunteers is something that the government can tap into. I look at the kinds of things you have here: I would just like to read a few, because we are talking about using dollars for health and many groups have suggested that culture and recreation is indeed preventive health care.

In your brochure I see things like smoking cessation, weight management, stress management and parent-child enrichment centres. We see things like recreation centres for economically disadvantaged youth, fitness, health and recreation centres, alcohol and substance abuse programs and very broadly based programs for youth, families and seniors. I think it is truly a community organization.

I thank you for the brief you have presented. I am sure that while you have spoken on behalf of the Metropolitan Toronto area, you do credit to the Ys across the province. I do hope that the government has taken this opportunity to listen and will respond generously by saying, "Yes, we want to continue the partnership, we want to enrich the partnership and we want to make Ontario a healthier society in which to live with your co-operation."

The Chairman: Thank you very much for your excellent presentation. We enjoyed it.

Mr Labatte: We want to thank you. I know Mr Farnan. I will tell my friends in Cambridge how appreciative we are of your remarks, and we leave it with you to treat us in the province very well.

The Chairman: Our third presentation this afternoon is on behalf of the City of Scarborough Recreation and Parks Department. Bruce Fleury, the



commissioner of recreation and parks, will be leading the presenters. He is accompanied by Liz Lonsbury and Councillor Ronald Watson.

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CITY OF SCARBOROUGH RECREATION AND PARKS DEPARTMENT

Mr Fleury: My name is Bruce Fleury. I am commissioner of recreation and parks for the city of Scarborough. I have with me this afternoon and am very pleased to introduce city Councillor Ron Watson, who is not only a very active member on our council, being on the administrative committee, but also chairman of our recreation and parks and social development committee in our city. As well, Liz Lonsbury is with us. She is a staff person who works very closely with me in our department and has helped to put this presentation together.

I come before you this afternoon on behalf of the city of Scarborough and our department, who provide for 510,000 people within our municipality, who are very active and who are very involved residents in recreation, parks and leisure services, which are second to none in this province.

I would like to refer you to the material that has been circulated to you. One is our latest brochure which has now crept up to 100 pages of municipal information, primarily recreation and parks; two, our annual report which was just received by our recreation and parks and social development committee this morning, so you are the first to receive that other than our own committee and council; and, three, the mandate, which is an example, I think—and I will be giving you other examples—of funds which the province assisted our city in producing. The mandate and the master plan were two of those very latest funding provided by a sharing of the funds between the province and our city.

Through the city council, a multitude of leisure and recreation programs, which include creative, cultural, social, physical and educational experience, are offered, as well as a wide variety of community and leisure services, quality and well-used recreation facilities and a network of 255 parks, ranging from one acre to 186 acres in size. The management of the department—just as a background for you—is provided by a relatively small full-time staff of 210, but we have 6,000 part-time staff who work all year round on our various programs and 60,000 volunteers who really do the work and are the army within our recreation and parks program in the city of Scarborough.

One major contribution of our leisure delivery is that of the private and voluntary community organizations—one of which you just heard from, the Young Men's Christian Association, which is very active and is supported by our department and our city very competently—which make up community recreation in our municipality. There are some 80 organizations and agencies providing a multitude of programs and services, which are co-ordinated both by our department, through the provision of facilities, permitting of school facilities and the administration, and by a co-ordinating body that has been established over the last 10 years, which is known as the Scarborough Recreation and Leisure Federation.

This points out I think very dramatically the organizational structure we have in the city of Scarborough. In addition—and I would not let this go by, because it is very important to the Wintario situation—without the Scarborough Board of Education's co-operation and assistance, recreation would

not be at the level in Scarborough that it is today. No-charge use of all school facilities, both indoors and out, have been available for over 26 years to our organizations, and in the past 15 years has been co-ordinated by our department with the board of education for primetime use as far as our citizens are concerned for their leisure time. The schools will continue to be our neighbourhood and community centres, the prime resource, the kind of use we put them to and the fact that the majority of our residents live in and around those areas.

Another interesting area as far as education and the co-operation between education and recreation in our municipality is concerned is the fact that for the first time in our years, and they are 35 now, we are working jointly with the Metropolitan Separate School Board on a secondary school project including a community centre on park land. I think, because the separate schools have got into the public domain very late, it is very difficult for them to come up with the kinds of lands, and our co-operative venture includes the sports fields, the community centre, and later probably a swimming pool will be added to that by the municipality.

This is just another example of the kinds of co-operation that can take place and, again, the kind of project in which Wintario can become involved and be a very important partner in the structure, because these residents are not only Scarborough residents but they are Ontario residents.

You will note that I have included in my definition of "recreation," and I have been very careful to do so, the culture and creative area as part of the definition of "recreation." I would indicate to you that recreation is all those things that an individual or group does in its leisure time creatively, culturally, socially, physically and educationally which are enjoyable, worth while and personally satisfying.

I would want to recognize the provincial government's contribution on financial assistance over the years. Through the efforts of the community programs branch—I go back that far—of the Department of Education, the Ministry of Culture and Recreation, and now of course the Ministry of Tourism and Recreation, our city has received many thousands of dollars for various programs for various projects and various facilities over that time.

There are two points I would like to make at this juncture. Through these hearings, it should be apparent that recreation and parks at the municipal level are providing residents of Ontario extremely well. However, the fragmentation of recreation and parks responsibility at the provincial level, which extends, we feel, to 17 different ministries, makes the delivery of culture and recreation and the lack of assistance to our local parks very difficult. When we put things together, it may be that we have to face a number of ministries to put a project, a facility, together, and this makes it very difficult for us to do and still deliver the service at that local level.

The city of Scarborough on two occasions endorsed the report presented to all members of the provincial government by the Parks and Recreation Federation of Ontario and it expressed deep concern to the government, our Scarborough members of Parliament and the leaders of the opposition party. In that resolution they expressed two items: (a) that there be no removal of such an important source of funding, referring to Wintario funding; and (b) that the provincial government be referred to the debate introducing lotteries, when all parties agreed that establishing and encouraging funding dependent on gambling proceeds for social and health services in Ontario is a dangerous and retrograde step.



The demand for recreation and parks and park land has far exceeded the expressed and actual needs of the residents of our municipality. Our supply of programs and facilities equals other municipalities by standard. As I have indicated to you, we have 255 parks at the neighbourhood, community and district level---and that does not include those provided by the Metropolitan Toronto and Region Conservation Authority through the province of Ontario and operated by the Metropolitan Toronto parks and property, so they are extra---and 160 schools with all the facilities that they include.

I believe, too, that a park must be considered from some point on as a major facility within a community, that no longer is it something else that is used for something else, but has specific uses for active and passive activities. A park is a major facility, the same as a community centre, a pool, a cultural centre, an arts centre or a gallery. It has the same benefits, it has the same values and it must be considered in the same way. As the Ontario Parks Association representatives indicated to you, to this point that has not been considered at all by the province in much of its legislative programs for financing.

When one considers recreation and parks, one would quickly conclude, on the surface, that we deliver leisure activities for the enjoyment of residents. We do. However, a closer look determines that the benefits and values are far greater and far more important. For example, it may be that you or I would join a class, a program, such as physical fitness. Am I coming for the physical fitness? Of course I am. But I am also coming to meet others; socialization becomes a major factor and a major focus as far as our leadership development for that particular program is concerned. That goes through all of our programs no matter what is going on.

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The development of new skills and new interests: We are particularly interested in this area because of the massive numbers of senior citizens who are coming into our programs each year and the fact that they have not had the opportunities of our young people in physical education programs, in municipal recreation programs at an early stage, and they have to be taught. The new interests are taught at that level.

The third is health and, as it was pointed out by one of your committee members, the longevity of life and fitness is very vital to our programs and it is a benefit that goes on as long as we provide these programs. As well, the basis for preventive medicine is inherent in our recreation programs.

The potential for home care is involved, to keep the frail elderly in their homes. My own mother is a case in point in Fenelon Falls, where we are attempting in every way to keep her in her home as much as we possibly can. The home services are incredible, including recreation services from an occupational therapist; not a recreationist, but it is there and the services are provided to keep her busy in a very purposeful way.

The enrichment of life is one of our major concerns, the concern with the quality of life of each of our residents. The improvement of that quality of life becomes an extremely important value.

Education in the wise use of leisure from cradle throughout one's whole life is an extremely important area that we must consider in our work.

All these things relate to the Wintario funding. They all are touched, have been touched by Wintario funding.

In addition to these benefits and values, recreation and parks contributes to the economy of our municipality through the special events and national tournaments and the tourism efforts that are going on. Every dollar invested in recreation is to produce about \$9 of benefit in the community according to a document by the Ministry of Tourism and Recreation.

We are willing partners in each municipality and we are willing partners with the province to work out the difficulties that have been in place as far as the Wintario programs in the past and other legislative financial programs have been concerned.

I believe we now know that the dollars in question would not in the least put a dent in the hospital deficits of this province. However, they would do a great deal to provide, as the province has done over the years, for the good health and recreation services of every community in our province and for those residents.

I think I should say just a word or two with regard to some of the other things. Wintario is thought of with regard to physical facilities, but Wintario was and is much more to us than that in terms of our master plans. This is one just approved in Scarborough by our council and was funded out of Wintario funds: Strategy for the Future—I will present this to you at the end of this presentation—an excellent exercise in looking at ourselves, looking at what we do and also going to tremendous efforts to get public input and public involvement into this whole effort.

This will stand well for us for the next 10 to 15 years, although it is reviewed every five years, and will give us the kind of planning document that will not only be able to stand up in Scarborough in our planning efforts but with the province in terms of feasibility of the various programs and projects that are coming along.

I think leadership training is an area whereby we have had great benefit. Tourism and Recreation and the previous administrations have shown great leadership not only at the volunteer level and development level but also at the professional level, and have been most concerned in bringing the professional workers along.

Equipment: That does not mean sport equipment, that does not mean lights in the theatre; that means the kind of equipment that really gives service to the community, such as the computers which provide us with the wherewithal for good registrations, for scheduling of facilities and programs, for all the networking that has to take place as far as a large department or a small department is concerned.

There were the new and the different and the creative and cultural facilities that were provided. It was a stimulus for our councils if and when it was possible for the professional staff and the consultants from the ministry to come before them and say that these funds were available, and at one time that could really be said. It has not come for some time now.

A quick look at some of the finances—I realize the time is going—but with respect to regulation 517, which is a funding bill for recreation in Ontario, it was \$15,000 maximum in 1983, the last year we received \$15,000. Last year we received \$6,000, pointing out here that those funds have gone down while the expenses have been increasing.

If we look at the Community Recreation Centres Act, it is not funded and



has not been fully funded for the past six years. It was \$19 million when it was in full operation and that is not available to us at this point.

Mr Faubert is very familiar with the Elderly Persons Centres Act. With respect to some of our seniors' centres, the capital funding has never, to my knowledge, been funded. It is just nonexistent. At one of our centres we receive operational funding; at another one we cannot obtain it. So that act really should be looked at as a means of further financing of the programs.

In regard to Wintario, of course, in the early years, the approvals of applications were made quickly. Changes to the guidelines made applying and being considered more difficult as the years went on and the money became more difficult to obtain.

Finally, competition with other municipalities for the available dollars took place. Once that happened, I think our municipal departments, especially the large ones, had to take a good look, and our council in particular said we must fund it all. There is no way we can plan any way other than that. If we receive the money from the application, then we will apply that against the debenture charges and reduce our capital costs in the long run, but there was no surety to our council that the funds could be made available to us.

Lately, with respect to the bill you are working on at present and considering with the \$396 million, I understand these came from a newspaper ad from various sources, but how much of that money actually came from projects that were not approved? We have never been able to find that out.

In conclusion, very quickly, we therefore have certain concerns that we bring to you. We must have support for provincial funding for recreation and parks at the local level, the municipal level, in a real and honest manner. It is a major contributor to health, fitness and the enrichment of our residents, to their quality of life and as preventive medicine.

This funding must be ongoing, it must be consistent, it must be justifiable and we must have it long in advance. We must know at least two years in advance the guidelines for obtaining the Wintario funds for the various programs, not necessarily for facilities.

At the moment, our department is required to plan 15 years in advance. Five years for the actual capital program and three years of feasibility studies have to be completed. With feasibility in three years, two years is going to be difficult to assure council of any funding whatsoever. We have to have some consistency in that.

The development and ongoing opportunities for leadership development is so important. I have mentioned the equipment as well as the upgrading of tired and old facilities. Most of our facilities are at least 35 and likely older than that, being built by volunteers prior to the municipality having a recreation and parks program. Our facilities are tired. They are getting very old and they have to be replaced. A report of an administrative committee yesterday indicated that one of our double-ice surfaces would be down until November because of leaks that had taken place; it is nothing more than tiredness of that facility.

The conservation projects have to be encouraged more and more—the solar energy aspect—as much as the new facilities so that we can get on with that particular part of the program and be able to know that the funding is there; not just talk about it, but actually put it in place.

We appreciate the financial assistance we as a city have received over the years. It has amounted to a great deal of money and certainly has assisted, particularly in the early years of our municipal department.

The needs for recreation and parks and leisure services are greater than any municipality can afford to provide. I have not indicated to you, but I will indicate that with respect to our sports fields, for example, we are only able to service two thirds of the applications for permits for facilities. We do not have the facilities right now. I mentioned the importance of a park being recognized as a facility.

Recreation and parks and leisure services provide a major contribution to the enrichment, good health and fitness of all residents of our municipality and, of course, on behalf of the province.

We recommend that your committee consider all provincial recreation and parks funding, meaning regulation 517, meaning the Community Recreation Centres Act, meaning the Elderly Persons Centres Act, and so on as a whole. The problem is not only with Wintario and this particular Bill 119, but all bills that have to do with financing and assisting at the municipal level, as we are partners in this program. I thank you for this opportunity.

1530

The Chairman: Thank you very much for the excellent presentation. I would like to make a personal comment or observation, if I may, at the beginning. Because Liz Lonsbury, who is the research and development co-ordinator of the parks and recreation area, is here, because you brought along Ron Watson, a councillor, and because of the fact that in my last six years of teaching I taught at Birchmount Park Collegiate Institute, I would like to point out to the committee that what Bruce is saying with respect to co-ordination in that particular borough is completely true.

As I recall the Birchmount Park piece of ground, we shared a church, a separate elementary school, a facility where we had a rink surface and a swimming pool. On the corner now, I understand, the four- or five-storey building there is a senior citizens' residence. Birchmount Park is in the middle of it and Variety Village is on the other peak. As the guy who coached the cross-country runners, we could run a two-kilometre race right on our property as long as all our neighbours did not complain as the gang ran by.

I think in that particular borough they are really co-operating in all the aspects to make a co-ordinated approach to this area of recreation and parks in a way that I have not seen in other parts of the province. I commend you personally on that.

I have a number of questioners. You did use up a lot of the time, but I am cautioning the folks that they have two or three minutes each. I will start with Mrs Marland.

Mrs Marland: I will be brief. At the outset, I would like to commend you on this excellent brochure. It is about the same thickness as the one the city of Mississauga puts out, and I am sure there are a lot of comparable programs, but this does represent an excellent municipality in terms of its programs for the people who live there. I do congratulate you on it.

Can you tell me what Scarborough will do if the moneys that have been available to you in the past through Wintario grants are diminished as a result of Bill 119?



Mr Fleury: The approach our council has made over the last eight years has been to plan our recreation facilities according to our need. Our first master plan was in 1973. It was called a community resources study, and that led into a series of facility developments and program developments for planning purposes. We will be completing that with the Mary Ward Catholic Secondary School program and community centre.

The council budgets for the entire estimated cost within the capital budget and then makes a special notation within the budget of the amount of grants one might expect from Wintario or other sources. It may be for equipment from New Horizons, etc. The council is not going to stop its responsibility. The thing is that the province, as a partner, can play such an important part in assisting us, not only in the initial cost but obviously on the more costly facilities, and now they are more costly, on the debentured costs over that period of time in reducing that down.

The other thing is, of course, we appreciated the input made by the province and the consultants to us in that whole development process and in the support of obtaining approvals for facilities. The province becomes very important to a municipality in that way. I cannot speak on behalf of council per se. If the history remains the same, we will carry on with our facility program, and we can only hope we will get help from the province.

Mrs Marland: So the answer to the question is that if Bill 119 has the negative impact on the availability of grant funds through lottery profits to those kinds of programs that you have outlined that we in our caucus believe it will have, then the financial burden for providing those programs will rest solely on the property taxpayers in Scarborough.

Mr Fleury: And for a long period of time.

Mrs Marland: One statement you made which I thought was very significant was that the amounts of dollars that you are talking about or that we are talking about in terms of lottery profits would not make a dent in the funding shortage in hospitals, whereas your programs can reduce the very need for those hospitals. I think that is a very relevant comment, because the fact of the matter is that Bill 119 does not provide any capital for hospitals or hospital beds anyway.

The Chairman: Two or three minutes, Mr Farnan, so our Scarborough-Ellesmere rep may talk to the group too.

Mr Farnan: Basically, I think we have heard all the arguments. Your presentation reinforced the concerns that have been expressed by the groups. I am concerned, and I think at the end of the second week of these hearings I want to go on record as saying that I am concerned, about the cost of hearings on this and many other issues.

If the process is legitimate and we are indeed listening to you, then the hearings may serve a process, but I think we must remember that hundreds of thousands, indeed millions, of provincial dollars are spent in holding hearings, not to mention all the time that you and your staff spend putting briefs together. They are taxpayers' dollars, and if the government has no intention of listening to the federations, associations, etc, then the façade of holding hearings and the squandering of these tax dollars is unconscionable.

There has been no evidence, in my view, that the government is

listening. There is no evidence of flexibility. On the contrary, all of the comments I have heard from government members of this committee are defensive of the proposed legislation. I hope I am proved wrong, but 228 municipalities representing 7.5 million people, 70 delegations to date, all unanimously opposed, say to the government, "This is wrong." The government must listen or indeed we are wasting the taxpayers' dollars. I fear the worst.

Mr Faubert: Just one quick word: On your presentation, I want to let you know that it is no longer a borough; it is a city.

The Chairman: It will always be a borough to me.

Mr Faubert: No, it is a big city now, and it is still growing. I think that is something Mr Fleury's remarks put into context. I would like to thank Ron, Bruce and Liz for coming down.

I would like to point out one other thing. Councillor Watson is not only the chairman of the recreation, parks and social development committee; he is also chairman of the cultural centre development committee. I am sure he is not looking for any cut in funds; he is looking for some future funding. I would like to thank you for a very positive brief. I found it very positive in spite of the remarks from some members of the opposition.

I would like to also congratulate you on completing the document Strategy for the Future as it evolved and original planning for that process was put in place. I am glad to see it completed, and I hope the government is prepared to fund the development of the facilities that you have planned so well within that document.

The Chairman: Thank you very much for your excellent presentation.

Our next presentation is on behalf of the Te Deum Concerts Society. Richard Birney-Smith, the concert director, will be making that presentation.

1540

#### TE DEUM CONCERTS SOCIETY

Mr Birney-Smith: My name is Richard Birney-Smith. I am artistic director and founder of the Te Deum Concerts Society, a small Ontario cultural organization in its 21st year. We present concerts of choral and orchestral music to audiences in Hamilton and in Toronto.

Over the duration of the lottery grant program, we have received some \$26,000 in grants for various purposes. In 1978, we received \$13,000—plus for a project grant to put on a Bach and Handel festival in Hamilton to celebrate the 10th anniversary of our society. In 1979, we received slightly less than \$1,000 for what I will call a professional development grant, which assisted me in going out to the Banff school for a course in fund-raising and board organization.

In 1985, we received a staff development grant of some \$12,000, which allowed our organization for the first time to hire a professional executive assistant and train this person to help take some of the administrative responsibility off the shoulders of the artistic director. In 1987, we received slightly more than \$4,000 for an equipment grant, which allowed us to computerize our office and get a new photocopier. This computerization allowed us to increase our fund-raising efficiency by nearly 50 per cent in the first year of its use.



I can tell you that as a small cultural organization, what we do is not considered very sexy when we are out raising money in the private sector. All the time we find ourselves competing with our larger and more well known colleagues. Certainly we in the arts do not see ourselves to be in competition with each other, but when you are in the chamber music business, when you go to a major corporation, you find yourself competing with the symphony orchestras, the large choirs and the opera companies.

As I say, in our eyes, we are not competing, we are complementing these larger organizations; but in the private sector we are seen as competing. One of the most frequent things I hear said to me by individual, corporate and foundation donors is: "We are already giving to the symphony orchestra. We are already giving to the opera company. Why should we be giving to you?"

The concept of a matching grant gives us a little bit better credibility and a little more clout when we are fund-raising in the private sector, because if the Dofascos, the Stelcos, the Firestones and the other companies we are going to know that the Ontario government is going to fund 50 per cent of a project, then that increases our credibility in the eyes of those donors.

During the past year, we have been involved in a nonlottery program called Investment in the Arts, which was run from the Ministry of Citizenship and Culture. I think it is now called Culture and Communications. Certainly that, along with our computer, has helped us to increase our effectiveness in fund-raising.

One of the things we are hearing over and over again is that government funding cannot increase and that we as citizens in the cultural and nonprofit sectors have to learn how to be more businesslike. We have to balance our budgets; we have to have lean and mean administrations; we have to go out and be more efficient and more effective in the private sector. We are willing to accept that challenge, but if government funding not only is going to remain at a level of slow increase or freeze but is going to start decreasing, then it is going to hurt our effectiveness in the private sector.

This is very, very important. If we are to raise more money, if we are to be more self-sufficient, matching grants like Wintario help us to be more credible when we are fund-raising.

Recently, I approached our local Wintario officer to start talking about the first steps of a new application. We have on our desk at the Te Deum office a proposal from a marketing company that is very experienced in the arts. This marketing company would like to help us further increase our fund-raising efficiency and effectiveness, help us to sell more tickets, increase the size of our audience and help us to find some larger donors so that we can get more money into our endowment to give us some protection against that night, which in 20 years we have never had, when there is so much snow that the audience does not show up and we will still have to pay for the concert.

This marketing study is going to cost us nearly \$25,000. As an organization that runs on an annual budget of about \$120,000, that is not something we can do out of our operating budget. Therefore, we have to do special fund-raising in the private sector to find this \$21,000 to underwrite the marketing study, which will help us, we hope, to increase our financial base and help us to increase our box office. Needless to say, it will be much easier for us to do this if we are funded 50 per cent by a Wintario grant. Then we will have much higher credibility going to the private sector and raising half of that money for the marketing study.

When I talked to the local Wintario office, I was told that this particular project sounded like a very good idea but did not really fit into any of the existing categories, so it would have to be a special application. Special applications are acceptable at Wintario, but the problem is that the special applications are at the bottom of the heap. I was told that, quite frankly, by the time they got down to the applications that did not fit into the pre-existing categories, they had a pretty good idea that all the available funding would have been exhausted.

It is very frustrating to someone in our position to know that there is an accumulated \$300 million sitting in unexpended lottery funds, raised from lotteries, that was designated for culture and recreation when the lotteries were set up back in the 1970s and that this money is there but is not available. It is additionally frustrating for a small organization that has great difficulty even visualizing what \$300 million is to learn that an attempt is being made to reallocate this money that was promised to culture and recreation for other, however worthy, sectors of the economy.

We think that a promise is a promise, that the lottery money was designated for culture and recreation. Certainly, if in the wisdom of the government it is time to change that designation, then the designation should be changed from the date of the new legislation and not made retroactive to spend money that was previously allocated for culture and recreation.

Furthermore, I understand that the new proposed legislation does not guarantee that culture and recreation will even have a particular designated portion of the lottery money pie. I think it would be only fair that there be a clear designation that some portion—25 per cent, 33 per cent, 40 per cent, whatever—of lottery money should continue to be designated for culture and recreation.

I think that every small organization is fighting an uphill battle to gain credibility in the public image. The corporate and individual donors out there understand what the Stratford Festival is. They understand what the Toronto Symphony Orchestra is. They understand what Opera Hamilton is. But when you say, "I am the president and the artistic director of Te Deum Concerts Society," they say, "Who?"

If I can walk into the office of the vice-president of Dofasco and say: "I am the artistic director of Te Deum Concerts Society. I have a project and the Ontario government is going to help pay 50 per cent. We need you to help us qualify for this matching grant," that gives us much more clout.

Ontario is a cultural mosaic, not only ethnically but also from the point of view of different kinds of cultural expression. Some of us are big and some of us are small. Those of us who are small need your help. We sincerely need your attention to this point.

1550

The Chairman: Thank you very much. You learned your fund-raising lesson very well at Banff because when you go in with half of the money assured, it is always easier to raise the other half. Your points are well made. Mr Farnan is first on my list; then Mr Callahan.

Mr Farnan: You made a very strong pitch for the matching funding concept. I can identify with the difficulty, I think, in terms of chamber music marketing itself against competing interests within a community and the fact that, I think you used the phrase, that it was not—



The Chairman: Mr Farnan, you will have to speak into the microphone. They are not picking you up.

Mr Farnan: You used the phrase that it was not very sexy. I suppose that is true that it is not very attractive to corporate and federation donors, but the point is well made.

I want to address the question you talked about in terms of the frustration you have of having worthwhile applications turned down and then to be told that there was indeed an unallocated surplus of extraordinary size, and how you felt it was wrong that the government, through this legislation that is proposed now, would draft legislation that would accept the spending of moneys in all of those years that had been allocated precisely for culture and recreation.

Now, what I am going to say will be perceived as being a partisan comment. The government had to do this because it had to legalize the theft of those moneys. You see, those moneys belong to culture and recreation. It is a fact and it is the reality that the money was designated for that purpose. It is a fact and it is a reality, because all the government members say so, that the money is no longer there. When money that is supposed to be there is no longer there, in my view, and I think in the view of the people of Cambridge, that is theft.

The only way you can resolve this injustice is for the people who took the money, which is the government of Ontario—I do not care; I am not interested in the partisan politics of whether it is the Conservatives or the Liberals who took the money. The money has to be put back from the consolidated general revenue fund back into an allocation for culture and recreation. That is the way you make recompense for the theft of the money. I agree with you it is unfair. It is unjust. It is unconscionable, but the money is gone. There is nothing we can do about it. This legislation represents the legalization of the theft of those dollars.

The Chairman: Mr Callahan, Mr Fleet would also like to ask a question. Keep that in mind, please.

Mr Callahan: Is that right?

I sense from the last statements made by Mr Farnan that there is now a moving apart between the two opposition parties, the official opposition and the third party, because in fact if he is accusing theft, then we have to go back to the bill that is presently in existence. That was not put out by our government; it was put out by the former government. In any event, I will not get into that.

I want address the question of this special circumstance you were told of, that you were put at the bottom of the pile. I have to tell you that we have asked our research people here to find out how these applications are judged and weighed to determine validity and so on, so that we can get a handle on that. I want to understand whether you are asking that there be a specific allocation of the future profits for culture and recreation. Is that what you are asking?

Mr Birney-Smith: Yes, I am asking that there be a specific allocation of the future profits for culture and recreation so that the culture and recreation sector knows in advance how much money we are vying for as we make our application.

Mr Callahan: Can I conclude from that—you have obviously read the proposed bill—that you have no objection after that to the surplus going to hospital operations?

Mr Birney-Smith: I am uncomfortable with the word "surplus." I am certainly not in objection to the idea that culture and recreation might share this funding with other worthy sectors, including hospitals.

Mr Callahan: I gathered your answer to the question was that you agreed with, say, a third to 50 per cent, which have been the suggestions made by various groups that have come before us.

Mr Birney-Smith: Yes, and I am only talking about future allocations.

Mr Callahan: If you are in agreement with that, then I presume any surplus would be either two thirds or 50 per cent.

Mr Birney-Smith: I am still not comfortable with the word "surplus." I feel I do not know where we are going on this. As I say, if there is money available, I am certainly happy that culture and recreation will share it with other sectors. "Share" I am comfortable with. I am not sure what "surplus" is trying to say.

Mr Callahan: Let me tell you what we were told by our research people who act for all of us here.

Mr Birney-Smith: You had an earlier question, by the way, that I have not had a chance to answer.

Mr Callahan: What was that?

Mr Birney-Smith: It was this question about my proposed application being at the bottom of the heap.

Mr Callahan: Oh, yes.

Mr Birney-Smith: In what we popularly call a Wintario application, one can really apply for anything. There are number of established categories, but there is an open category that says in effect that if you are imaginative and you have a good idea, you need not be limited or prohibited from sending that in just because it does not fit one of the established categories.

What I am talking about was that I had an idea that did not fit one of the established categories, but was told, off the record of course, that the local allocation was going to be pretty well exhausted by people who were making applications in the established categories. By the time they got down to the imaginative, more free-wheeling applications, there probably would not be any money left. I am still free to make the application, but I was simply told, off the record, that my chances were not going to be very good because there was not much money available.

Mr Callahan: I only have a few seconds left, I am sure, but I would like to tell you what we are told this bill does. I am going to read to you from our research memo. Have you seen the bill?

Mr Birney-Smith: Not really; I have seen it summarized.

Mr Callahan: I do not know whether anybody has a copy of this that



the gentleman could have before him, but basically it says, "There is prioritization in the sense that the net profits are initially available for appropriation for purposes (a) and (b) only." Do you see (a) and (b) there?

Mr Birney-Smith: Right.

Mr Callahan: Clause (a) is sports, culture, recreation, etc; clause (b) is the Ontario Trillium Foundation which I do not think you have to concern yourself about because that is regularizing something that was arrived at informally to have the charitable lotteries move out of the field.

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Then it goes on to say, "Fitness, sports, recreational and cultural activities, and the Trillium Foundation have first call on any lottery profits in the fiscal year." Our fiscal year for the government is from 1 April through to 31 March. "There can be no initial appropriation for the operation of hospitals." In other words, the moneys cannot be initially appropriated until the—well, I will go on to read further for you: "There can be no initial appropriation for the operation of hospitals. It is only at the end of the fiscal year that money may be appropriated for hospitals. Any funds not appropriated in a given year for fitness, sports, recreation, culture, and the Trillium Foundation (the net profits 'not so appropriated') 'shall be applied to...the money appropriated by the Legislature in the fiscal year for the operation of hospitals.'"

In essence, what that is saying is that the first priority is (a), which is sports, culture, recreation, etc, and (b), the Trillium Foundation. At the end of the year, if there are any funds left over, that goes to (c) hospitals.

I do not know whether that clarifies the situation for you. It may be, and I suppose the concerns of groups coming before us is, that a machiavellian government will decide to allocate \$1 to culture, sports and recreation and the balance of it will all go to the hospitals. I suggest to you that any government that tried to do that, particularly if it cannot allocate it until the end of the fiscal year, would be—

The Chairman: Mr Callahan, may we assume these few minutes are coming to an end?

Mr Callahan: Yes, I will. That government would be crucified by the press and would be subject to significant political dissatisfaction. I just put that to you and you can think about it and mull it over.

The Chairman: Mr Fleet, a brief comment, please.

Mr Fleet: Do you mean there is time left?

The Chairman: Not really, but I am making an exception because you have been very patient.

Mr Fleet: I will be very brief in this. I simply wanted to indicate that I appreciated very much the thrust of your presentation in outlining some of the problems that an important, but perhaps not as well-known organization has. We have heard of similar kinds of problems from other groups. Perhaps the presentation helps to make you better known. So it accomplishes one good thing.

But also, although for reasons only partly touched on by the other

members of the committee, I do not think that many of the problems you are experiencing really relate to the bill. Whether the bill passes or not, I think the problems of attracting funding and whatnot that are going to go on in any event.

I appreciate what you have said. I know the ministries are monitoring the proceedings today and it helps very much for us to hear from you about how programs either work or do not work, the kinds of things that are good features to the programs for government spending. In your case, you are saying that just being able to attach the name of the government helps you to raise more money. That is an important message for us to hear and I appreciate very much your taking the time to come and to help educate everybody, both here and within the ministry, of that reality.

I sincerely trust that you are indeed successful, as I suspect from the quality of your presentation you will be, as you go to raise funds and to advance the activities of your organization.

The Chairman: I would like to add my thanks, Mr Birney-Smith, as well. You have given us an insight from a little different point of view and that is very helpful.

Our next presentation is on behalf of the Windsor Board of Education. Stephen Payne, the director of education for that municipality, will be making the presentation. I believe you have a submission that you will probably be following.

#### WINDSOR BOARD OF EDUCATION

Mr Payne: Yes, I will. I want to thank you for the opportunity to address the committee with regard to some of the proposed changes in Bill 119 which will impact the use of the revenue from the Ontario Lottery Corp and specifically Wintario and Lottario.

Many of the points I intend to make will be of a general nature and ones that I am sure you have already heard. In fact, in the short time I have been here, the two presentations—I am going to be a bit repetitious, but since I have not heard all the presentations, I hope you will bear with me.

Perhaps the perspective I present will be a little different because I understand that I am the first director of education to be here. Perhaps bringing you an education perspective will be a little different and I can give you some fresh ideas.

In the latter part of my presentation, I will be very specific as to how this whole topic relates to the Windsor Board of Education and also would probably be echoed by many other school boards across this province.

I might say at this time that I am glad I was here to hear the Scarborough delegation, the recreation group. They made reference to the close co-operation that goes on between the Scarborough recreation and parks department and the Scarborough Board of Education. Indeed, the same can be said for the Windsor Board of Education and for the parks and recreation department in Windsor. I understand you have heard from Mr Burrridge, that commissioner.

I should relate how, as a board of education, we became aware of Bill 119 and its proposed changes. The city of Windsor and the board of education



have a long history of working together for the betterment of the citizens of the city. In three of our elementary schools in the city of Windsor we have community centres that are run by the parks and recreation department located right within the schools, so a great deal of co-operation and sharing goes on in that regard. I had the good fortune of being an elementary school principal for 16 years and in one of the schools we had a community centre, so I have firsthand knowledge of how the two groups co-operated.

In addition to this, we have established in our city a liaison committee, involving the two school boards and the city of Windsor, which meets on a regular basis. It was at one of these meetings that city representatives brought this matter of Bill 119 to our attention. In the discussion that ensued with our trustees, because of the many benefits that the schools of the Windsor Board of Education have received, the board supported the intent of the city of Windsor motion at one of its meetings. I have attached a copy of that for your information.

I think it is also key at this time to point out, particularly in the area of creative playground equipment, where our two groups co-operate, that we as a school board cannot apply directly for those funds. The application must go through the city of Windsor. So the co-operation model is very important.

I would like briefly to summarize some of the reasons, and again they are repetitious, for our opposition to the proposed changes. It was pointed out in a letter I received from the Premier (Mr Peterson) that the revenue from undedicated provincial lotteries is expected to reach \$445 million in 1988-89. I guess undedicated and surplus are the terms that are being used interchangeably today.

The fact that they are undedicated is interesting in that over the years we have had many applications for funds from Wintario rejected. I cannot give you the specific reasons why they were rejected, but at the same time projects of a similar nature were approved. So the question must be asked then, if there were funds available, why were the applications rejected? Why reject applications if there is a surplus?

Second, in the short time that I have been here today I have heard reference to this point that I am going to make, but I think it bears repeating. The Liberal government has stated that it is committed to preventive medicine in its health care program. One of the key ingredients of this, in my mind, would be the development of physically fit citizens. How can this best be accomplished? Schools can be the vehicles to assist in this.

Through physical fitness playground equipment purchased with the assistance of lottery funds the community and the school have access to facilities and equipment that they normally would not have. Many of our schools and schools throughout the province are engaged in daily physical education programs with this goal in mind. What better form of preventive health care? What then is a better use of the funds?

Again, I was a principal in another school in the city of Windsor and at that time, through a local service club in the city and the use of Wintario funds, which totalled about \$13,000 from Wintario, we put up a \$50,000 fitness trail in a city park. So again, we hope that will lead towards physically fit citizens, which will lead to less need for health care.

Third, and I think I have heard this before, I believe it would be a

dangerous precedent if the operation of our health system or hospitals partially depended on the uncertain income of lotteries. I realize that the Ministry of Health has a budget which would be the major portion of it. I also realize that through the various departments of the ministries of Culture and Communications and Tourism and Recreation, whatever, there are budgets too. But the lottery proceeds are an extra fund that are very valuable and very beneficial. If they were not available, some school boards, some parks, some recreation groups would do without. I do not think we can say the same about health care.

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Finally, the sale of Wintario tickets throughout this province has been done with the understanding that the proceeds will go towards the support of physical fitness, sport, recreational and cultural activities in the province. Now there is a large reserve fund of this revenue which indeed may go for a purpose which it was not originally intended. Is this fair to the people who purchased these tickets?

Those are only some of the reasons that we see some faults in the proposed legislation. I would like to outline to you now some of the projects the Windsor Board of Education has completed with the assistance of Wintario funding. Indeed, I think this could be representative of any school board across the province.

The Windsor board in co-operation with the city of Windsor has developed creative playground sites at nine of our elementary schools. I have attached a sample copy of the agreement for your information as an appendix. Of these nine schools, three were built with the assistance of Wintario funds. The others were constructed with money raised locally by the students, home and school associations, and local service clubs. Wintario was approached, but we were not successful.

Again, I have a great deal of difficulty differentiating why three were and six were not. Perhaps I do not understand that various portions of the province have so much allocated and perhaps we used ours up. I am not sure, but then I go back to the statement that we have these undedicated funds. Of those where we did receive assistance, in one school we received \$4,800, in another almost \$4,000 and in the third \$1,700.

Since 1986, our board has received Ontario Federation of School Athletic Associations transportation grants from Wintario totalling approximately \$26,000. These funds are used to assist teams in travelling to provincial competitions in various secondary school sports. That is very key to Windsor because, as you know, with our geographical location being at one end of the province—I will only use the polite term, at one end of the province—very often we are doing much travelling and the Wintario funds are a great assistance to us. Otherwise, our teams might not be able to go if we did not get that assistance.

In 1978, one of our secondary schools received a grant of \$10,000 towards the purchase of a school bus. Ironically, a similar request by another secondary school was denied. In 1987, another elementary school received a grant of approximately \$6,700 towards the construction of an outdoor basketball court. Those are specific figures that I can share with you today in the time I have had to research, to show that the lottery funds that are available to us are very, very valuable to the school board.

In the area of cultural activities, the board receives benefits of the



funding in an indirect manner. Wintario grants are provided to the Ontario Arts Council. The arts council then uses these funds to defray expenses associated with the visiting of professional authors, artists, musicians and dramatic groups to our city. This is particularly beneficial to the Windsor area since so many of the groups or individuals are based in the Toronto area. If their expenses were not subsidized, we could not afford in many cases to bring them to Windsor.

As you can see from this brief outline, the schools of the Windsor public board have derived great benefit from these funds. Two points must be made.

One, as I indicated earlier, three schools received funding assistance in the playground equipment area. Six schools had to do it without funding assistance. Why, if there is a surplus, should this occur when the projects were similar in nature?

Two, in the six schools, we were fortunate that the community and service clubs were able to raise funds without assistance. What will happen in those school communities where they do not have the ability to raise these substantial amounts of money? Must they lose out or will provincial assistance be available?

Just in a very quick check I did before I left, we have two proposals that are currently going in front of our local Wintario office. One of our core city elementary schools called Frank W. Begley—the local Lions Club is going to put in \$15,000. The school is raising \$15,000, and hopefully Wintario is going to come across with \$15,000. Another school, Victoria, which is a downtown school, is in a similar project. I do not have the figures available.

I am certain the members of this committee are aware of the current financial crisis being experienced by school boards across this province. Just as an aside, on Monday, at the Holiday Inn, along with the chairman of our board and our superintendent of business, I will be making a presentation to the select committee on education, looking at the financing of education. I think it is ironic that I am bringing this up here.

As a public school board with a large commercial and industrial assessment base, our board is fearful of the effect that pooling will have on our tax revenue base. Also, the Ministry of Education has announced an increase in grant ceilings for both elementary and secondary school pupils. This has put an increased burden on the local taxpayer. Last year, mill rate increases reached double digits in many jurisdictions just to maintain present levels of programming and service. Indications are that similar increases will occur this year.

If it is the wish of a school board and its community to continue to provide and expand its recreational and physical fitness facilities and equipment, this burden must fall on the already heavily taxed citizens. It is imperative that to assist in the funding of these projects, school boards have access directly or indirectly to the revenue of these lottery funds.

This, of course, does not just apply to school boards. I have two personal experiences. I was a coach and a vice-president of a baseball league in Windsor for many years and I remember that one year my job was to apply to Wintario. We have \$15,000 to run a baseball league. If we had not had that money, that league would not have operated that year.

I also was a coach on a track club, the South London Knights of Columbus

track club, which also gained valuable assistance from Wintario funds. What I am saying is that it is very important that the funding be available. Municipalities, conservation groups, sports teams and other recreational and cultural groups have similar needs. It is my opinion that lottery funds used in these areas will have a greater impact on a larger number of people in Ontario.

Mr Farnan: Mr Payne, I want to thank you for taking the time to come down from Windsor and bring your insights into the legislation but, in particular, I want to thank you because, in my view, you represent not just the Windsor school board. I think you represent all school boards, in the sense that the issues you are talking about could be applied to many other school boards across the province.

I think that is why I am so grateful you are here. I have been keeping a list of the different types of presentations we have been receiving from municipalities, sports federations and associations, symphony orchestras, boys' and girls' clubs, theatre groups, dance groups, libraries, historical societies, museums and seniors. Each of these groups, although it may be talking about a particular organization, in my view, is emblematic of all of the groups in that particular category.

You have given us a lot of insight on that. I am not going to go over what you said. One thing I do have to ask you: In a letter received from the Premier, you mentioned the figure, I think it was, of \$488 million of unallocated funds.

Mr Payne: Yes, sir.

Mr Farnan: That is a higher figure than has been bandied about this committee for some time, but if the Premier is saying the unallocated figure is \$488 million, then there is indeed more money that has not been spent than we have been given to understand up to this time. So your letter adds a significant piece of information to our deliberations.

I also want to thank you for your comments on matching funds. It is extraordinary. When you listen to one person, you think, "That's great." Then you listen to the next person and you think, "Gee, that's different, but it seems to make sense too." While I listened to the last delegation with the tremendous appeal for matching funds, you brought up the question, "Is it easier in some geographic areas or in some socioeconomic communities for that group to benefit from matching funds more readily than another group?"

I think it is right and I think we have a responsibility in terms of equity to address some kind of funding formula that makes it maybe less difficult for areas that may not have the ability to raise the funds as easily as others.

Finally, there is the irony you brought forward in accepting some proposals and rejecting other similar or identical proposals. That is an irony. Then there is the question that this was done at the same time as an unallocated, accumulated surplus was developing.

I thought it was a super brief. You touched a lot of the bases. As the chairman has pointed out on a couple of occasions, often we find the very best briefs are briefs that are so clear and so focused that questioning of the delegation becomes almost unnecessary.



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Mrs Marland: I too want to compliment you. It is particularly interesting that you are representing the school board. I did not sit on the committee last week, but I know that this week we have not had a representative from a school board, so that perspective is very important to this committee's deliberations.

Unfortunately, after sitting on the committee this week, I am not very optimistic that there will be any government amendments to make this legislation more realistic and give the protections that all of the groups which have come before the committee opposed to the bill, without exception, would like to have. Funding for education in this province, as you know better than anybody as director, is in a mess now. It is going to become more so.

We currently have, unfortunately, a Liberal government in Ontario that arbitrarily decides what programs it thinks the school boards want and it does not discuss that with the school boards first. They did not ask the school boards if they would like class size reduction versus getting rid of some of their portables, and on and on it goes. This issue on which you speak to us this afternoon is the same, and we will do whatever we can with our responsibility in opposition to represent the viewpoint that you make.

Certainly the government members have their hands tied by the bill itself as it is drafted, because that is obviously the intent of the government. As you know, we are not in a minority government situation, so even if both opposition parties combined, we could not achieve what we did achieve on the predecessor to this bill, namely, Bill 38.

Bill 38 was worded differently. All they have done now is say that the money can go to the consolidated revenue fund and it can also be spent on hospital operations. It is very clever, mind you. I do not underestimate the cleverness of pitting hospital operations against culture, physical fitness, recreation and sport, because on the surface people who are sick and want to get into a hospital cannot and think that money that was being spent on that other area might have precluded them. As I said earlier this afternoon, the fact of the matter is that this bill does not even help them either because it does not give money to hospitals for beds or buildings.

I was very interested in the letter that you referred to from the Premier. I wonder if you had a copy with you and if we might borrow it to make a copy of it, if that is possible.

Mr Payne: Yes, I do have a copy of it. You can disregard the writing at the top.

Mr Sola: I would like to thank you for an excellent brief as well and also to suggest that you are a very eloquent spokesman for the city of Windsor itself. You are the second person to comment on co-operation with a city. The first one was Scarborough with its parks department. This time it is a city and the board of education. I think that is a very good example to set for other areas of the province where maybe that sort of co-operation does not exist.

I was going to temper my remarks a bit, but the opposition parties jabbed me a little so I will stray. I think you raised some very pertinent questions and I am hoping that our research officer will be able to give us some answers to some of the questions you have raised, because I think they

will be important to take into consideration when we come to our final deliberations on the bill.

I have listened carefully and I have also listened carefully to what the opposition said. I look at this bill strictly as a housecleaning type of legislation. It is the same thing when you take over a new school. Do you take the word of the principal you have replaced or do you check the books? If you do not understand something, you put some notes down to explain how the previous administration worked.

I think this bill is the same thing for the Liberal government. We came to power. We saw a notification that there is a surplus or nonallocated funds. You start searching for them to see if you can use them. You find they are not there. Then, to explain them to yourself and also trying to be open government, you present Bill 38 to allow you to wipe that off the records.

That did not work, so now we are trying it with Bill 119. I think that is the major thrust of this; and also in the future if funds are not allocated, that you have an open pocketbook to put anything into. I do not think there is a direct competition between recreation and culture on one side and hospitals on the other. It is just that if a similar situation occurs, that there is money left over, that the explanation you will have instead of an asterisk will say we have put it into this fund here.

With the questions that you have raised, I am hoping we will not come to that situation, because if we can review the criteria under which similar types of applications were accepted and rejected, maybe we can eliminate the discrepancy which allowed that to happen.

Once again, I would like to thank you for your presentation. I can vouch for my colleagues here that we have listened carefully and we will be taking all your remarks into consideration. Thank you very much.

The Chairman: Thank you very much, Mr Payne, for a very interesting presentation, and the first from the educational field that was another piece of information that we can add to all the others. It was very well presented. I think one thing that is really true about the educational field now is that they do train us to write pretty good briefs.

Mr Payne: Thank you very much. I enjoyed it.

The Chairman: Our final presentation of the afternoon is on behalf of the city of Sarnia, the parks and recreation department, and it will be given by Ted Wood. Ted, are you the director of the parks and recreation department?

Mr Wood: I am the director of recreation for the city of Sarnia, but I am not the director of our department. I have a boss.

The Chairman: Ted was good enough to submit an exhibit prior to now. It is 82, in case you missed it on your agenda.

#### CITY OF SARNIA

Mr Wood: I am your last speaker of the day, therefore you may not want a long dissertation of my rhetoric crossing your cortical centres and you may desire to be on your way. I am not like Andy Brandt, although I admire the man. I will only take about 10 minutes of your time to say what I came here to say and then you can determine how much longer we are going to be here.



I have not brought you a highly polished glossary of the recreation in the city of Sarnia, simply because we do not have one. I am not here to tell you about all the multitude of programs my department operates, because, quite simply, we do not operate very many programs.

Sarnia is one of two communities in Ontario that operates on a community-development model, the other one being Niagara Falls; that is to say, we operate programs directly only when there is no other organization, club or group to do so. Our system therefore is one where we can assist those organizations with our consultative expertise and our ability to obtain funding for them to provide programs that are created by the citizens themselves. It is also our responsibility to try and provide the opportunity for these same citizens, the space in which to carry out their programs.

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Having given you this thumbnail sketch of how my department operates, I will get to my short presentation. As director of recreation for the city of Sarnia, it is one of my responsibilities to ensure the leisure activities of my citizens and to ensure that they have the opportunity of their choice. Proposed changes in the allocation of lottery funds will diminish these opportunities, and that will have a direct effect on the wellbeing of my citizens.

There is an old adage that says, "An ounce of prevention is worth a pound of cure," and that is quite true in this particular instance. Instead of providing the funding for recreation which can act as the prevention to poor health, the proposed bill will spend part of the funds directly on health care. I have heard often this afternoon: "Only those funds that are left over." If you really believe that, folks, I have a Bluewater Bridge I could sell you quite easily. By reducing recreational opportunity, the health care need will increase.

A province that is concerned about providing funds for the care of those who are in poor health should be equally concerned about providing funds to help its citizens from becoming health risks. A province whose people are fit and healthy are more productive than one whose people are not.

If cities and towns across this province do not continue to receive the funds from lotteries for their recreational projects, we will see a number of repercussions that have occurred in other countries. When a teenager cannot go to a centre to participate in good recreational activity because the centre could not be built due to the lack of funds, what happens? That teenager may turn his energy to something else to occupy his time. Instead of being at a recreational centre, he could be out stealing the hubcaps off your car or painting graffiti on the walls of your business or any number of other things we would dread.

Senior citizens who cannot go to their complex to enjoy recreational activities because the funds were not provided to build it: What do they do? Some of them will get progressively ill, both physically and mentally, and then we will begin to overcrowd already crowded health facilities and hospitals which are seeking the assistance from this bill.

By diminishing the abilities of municipalities to provide recreation to its citizens, the province will be seeing a ripple effect that will create a poor quality of life in this province.

If you think of it like the operation of a car, you may get a better

picture of what I am talking about. If you took your car to a mechanic and asked his assistance in making the car run better, you would not expect the mechanic to say: "Remove the seats. They're just a luxury that are not going to make the car run any better." Nor would you expect the mechanic to say, "Remove the headlights, because they're a drain on the battery." You do not expect him to ask you to remove the spare tire because it is just added weight. Why then would you expect the citizens of Ontario, when they ask for your assistance in providing recreation from lottery funds, to hear you say, "I'm sorry, but recreation is just a luxury," or "Recreation is a drain on our resources," or "Recreation is a weight we can no longer endure"?

The engine of the car will not run any better if the seats, headlights and spare tire are removed, and neither will this province run any better if you remove the lottery assistance to recreation. Do not tell me that the citizens of this province are going to be served any better by giving part of the funds to health. That would be like saying, "We're going to take the spare tire from the car and put it on a transport truck." It just does not fit.

Currently in my city and in other cities and towns right across this province, we are putting together plans for such things as sports complexes, community centres and meeting places. None of these will come about if the ability to use lottery funds is diminished. I was glad to see that Bruce Fleury brought along his master plan. I did not bring mine along; I could have, but I did not. We just finished ours about two months ago. We presented it to the council, council accepted it, and they now ask for a staff report that says how we are going to do this. Part of the staff report says: "The only way that we can do this, council and mayor, is to get some funding from the lotteries that are provided by the province." Now, after seeing what is going to happen with Bill 119, we may have to go back to our council and say, "I'm sorry, but we may not get any funding from this lottery."

It will not just mean that Sarnia will have to do without a sports complex; it will mean much more than that. It will mean the loss of jobs, jobs that put money into the economy. It has a ripple effect right through the entire system: construction trades to build the darned thing in the first place, manufacturing, engineering and service personnel. The impact in Ontario will be of great proportion.

I therefore implore you not only to put Bill 119 on the back burner, I ask you to set fire to it and let it turn to ashes.

Thank you for the opportunity to spend these few minutes with you. If you have any questions, I will try to answer them.

Mrs Marland: I have to commend Mr Wood for a very succinct presentation. Also, I think all of us appreciate the humour in your presentation. Your example of taking the spare tire out of the regular-sized vehicle and putting it on a transport truck is a very apt description of where any lottery profits would be applied to the operation of hospitals. That is what we know. It is certainly very evident that it is what the public of Ontario knows, fortunately, through their elected representatives of municipal councils, their excellent administration in municipalities, with an individual like yourself, plus all the many, many volunteer groups and organizations, both recreational and cultural, that have come before this committee.

Perhaps what I see as being particularly insulting to all the groups which have come before this committee—I did not sit on the committee last week; I have only sat on it this week. One of the first groups we had on



Monday morning was an absolutely fabulous little gal who was representative of a four-person band which went around doing little plays and entertainment in the schools to get various messages across. She brought live theatre with her little group into little schools all over Ontario, northern Ontario included. We have gone this week all the way from that young woman with her zest and enthusiasm for living—and obviously on a very meagre income; I am quite sure that these kids got enough to live on and pay for their van and travel to do their acting and their presentations in the schools, gymnasiums, arenas and so forth—we have gone all the way from her to Mayor Eggleton, one person I might mention, and his very large contingent from the city of Toronto, and many other municipalities, some of whom you heard this afternoon. Now we hear from the city of Sarnia, and it is the same message that is being given all the time.

Frankly, at the end of three weeks of this committee's hearings, if the government has the gall to continue with Bill 119 in its present wording, then I think it might as well shut down the whole process of public hearings and presentations, because you cannot possibly have public participation encouraged, at whatever the expense involved. The city of Sarnia has paid for you to be here this afternoon and to travel from Sarnia. We have had people from northern and eastern Ontario and anywhere in between, and some of those distances necessitate people staying overnight; it is not always possible to commute back and forth in one day.

All the effort that the people of Ontario have made, through your kind of representation to this committee, has been done in a most sincere, committed way. If this Liberal government at the end of all this says: "I'm sorry, folks. This bill is written the way we want it written. It's going through the way it is. We as a government are not going to amend our bill to address the concerns we heard about in the last three weeks. It's just going to be a matter of time and that bill will be proclaimed"—

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I said to someone yesterday that if I were just a crass politician, I probably would sit here and think, "Go ahead." I am not blaming these guys, because my colleagues in the opposition have their marching orders. We normally have a whip who leads them through at committee hearings and I do not blame them individually, because they take their direction from their whip for the committee, the whip for the committee takes his direction from the minister and therefore the government.

What I do take exception to is that we have a process in which I believe, and because I am not a crass politician who would sit here and say: "Okay, go ahead. Pass it. It'll mean it will be easier for us to run in the next election because we'll have all these millions of people who are represented by the sports, cultural and recreational groups," plus, we have millions of patients in this province who are smart enough to know that lottery funding for the operation of hospitals, as you said so well with the little tire on the big transport truck, is not the solution to the shortage of funding for health care in Ontario.

So I do not have any questions for you as a deputation, Mr Wood, but I do want to say that when you hear what the outcome of Bill 119 is, do not be discouraged to the point of saying: "What was the purpose? I wasted my time and effort in preparing my brief; I wasted my time being there." Do not think that way for two reasons: One is that had you not been here today, you might always have wondered whether believing in a public process and being part of

it might have made a difference. This way, you know you came here, made your contribution and did what you could. You can look with pride on that part. The other part, of course, is that eventually we will have another provincial election and the public that you and all the other deputations that have been before us represent will have a choice. They will be able to decide for themselves whether they believe in the value of preventive medicine, which is what we are talking about with healthy lifestyles, both in the physical sense through recreation and in the psychological sense through stimulation through art and culture, both performing and visual arts.

Thank you for making your contribution on behalf of the city of Sarnia.

Mr Farnan: I think Margaret is quite right. Over the past 15 years, both the Conservative and Liberal governments have rifled the fund that was dedicated to sports and culture.

Mrs Marland: I do not think that is what I said.

Interjections.

Mrs Marland: On a point of privilege: I did not say that. In fact, the beneficiaries of the Ontario Lottery Corporation Act which was passed in 1975 by my Progressive Conservative government, the beneficiaries of those lottery funds in that 14 years have complimented the system as it existed all the way through the hearings this week. I did not say what Mr Farnan just suggested I said.

Mr Farnan: I do have a problem with a member of the committee who sets herself up as being in some way superior morally to anyone else in the room. If that was the content of Mrs Marland's remarks, I certainly have problems with it.

Let me get back to the delegation. Your name is?

Mr Wood: Ted Wood.

Mr Farnan: My statement to you is very simple. I think you are a special kind of guy. You have an ability to speak very profoundly in a very simple, clear and precise manner. I have heard all sorts of delegations in this set of hearings and in previous hearings, delegations with very technical and all kinds of researched information. Your ability is to use a parable or an analogy to crystallize and to focus the issue and to put it in such plain terms that the average working person, the average Ontarian, I think, would say: "Hey, what this guy is saying is absolutely true. That makes real sense."

I have no hesitation in telling you that I am going to use the kinds of analogies that you drew today for me when I am talking to my constituents. I am going to take the record of Hansard of your speech here and I am going to distribute it to my constituents. You remind me of my father, who was a very plain-talking man, no nonsense, but who went to the very heart of the issue.

I think it was a breath of fresh air. Sarnia has been tremendously well represented. The insanity and the short-sightedness that you drew for us today in terms of placing what is preventive health care, in the form of culture and recreation, in competition with hospitals is so unacceptable that it has really no future in developing what is a well society. The really progressive government—and I think your remarks are offered to the government in those terms. Here is a challenge to look at the long-term picture rather than the immediate term and use a patchwork-quilt or Band-Aid approach.



If we invest in preventive health care, we are going to have a healthier society and it is going to mean a cheaper health system in the long run. Other than that, your presentation was a gem. Thanks very much.

Mr Callahan: I also appreciated your presentation. I am not going to follow Mr Farnan and give you the first medal of all of our presenters. I think that would be unfair to the rest of the presenters. I think people come here with a very genuine concern. Despite the banter back and forth that you have heard here between the various parties, there is very real concern among all members of the Legislature to make certain that our recreation, our sports, our culture is the finest in the country, perhaps the finest in the world.

I think we have a lot to be proud of in this province. We have built a very unique cultural mosaic. We have developed sports and recreation to a very high degree. I am very proud of it in my community and I am sure that many people are in all of their communities as well. I do not really see this reptilian concern that, suddenly, with the change of government it is going to destroy this. I believe firmly that they will not do it because of the reasons I have just stated, that all of us as members of this Legislature believe it is a very important part of the fabric of Ontario.

Quite apart from that, on the utilitarian plane, if they were to try to destroy it, they would go down in flames. They would be the shortest-lived government in existence. Perhaps they would have the ire of many of us who are even in the government, so I feel confident that will not happen.

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I want to go to your submission. If I read it correctly, it says you are telling us to scrap Bill 119. You are different in that regard from many of the other groups we have had before us. In fact, I am sure you know Don Gordon from my municipality. He was a little different as well. He wanted 50 per cent and other groups in the alliance wanted a third. I have great admiration for Don because he has done great things in our city in recreation and parks.

Mr Farnan: On a point of order: The alliance asked for a minimum of a third and not a third.

Mr Callahan: I am not sure that is a point of order.

Mr Farnan: Well, a point of information.

Mr Callahan: He is quite right: some of them did ask for a minimum of a third. The city of Mississauga, which abuts my riding to the south, asked for one third for recreation and culture and two thirds for hospitals. So there has been a variation of delegations, and contrary to what Mrs Marland says, we do listen to the delegations that come here. I have sat on committees, as all of my colleagues have, where there have been significant amendments to bills that have come before us. That is not necessarily the rule. I do not know at this point, until we hear the balance of our delegations, whether there will be any amendments. There has been one put forward by Mr Farnan's party simply to reflect the views of those people who have come before the committee.

You are familiar with section 9 of the existing law and you are familiar with the fact that this section simply said that all of the funds went into the consolidated revenue fund "to be available." Those are just marvellous words. That really did not commit anything, although I must agree that the

Wintario tickets they printed all had divers on them and tennis players and so on. I guess if you looked at everything, you were seduced into thinking it was going to be sports, culture and recreation.

Quite obviously, that was not the case because there was a tremendous surplus—which we cannot find, but there was a tremendous surplus—which obviously was money that was not allocated for programs that were asked for by the various groups. If we scrap Bill 119, we are back to that. That gives a government a far greater ability to use that money for anything; it can use it for roads or it can use it for a whole host of things.

What Bill 119 does is to say up front that if there is a surplus, hospitals are the group that will get it. I know the argument has been that we are pitting sports and recreation against hospitals. That is not my intent, nor do I think it is the government's intent. It is an argument that is worth considering because I suppose that might be perceived by people and therefore that would justify reducing funds to you people and to culture, but I do not think that is the intent of the bill.

I think the intent of the bill is to say here are the three aspects: we have sports and culture and recreation, we have the Ontario Trillium Foundation—which is really just a housekeeping item because that is legalizing what took place between the former government and charitable lotteries—and we have the final item.

We have a report from our research people, who do not get involved in this cross-fire, who are telling it as it is and, in essence, they say there is no prioritization per se; (a) and (b) get the first crack at the dollars and at the end of the fiscal year—

The Chairman: You have to begin to wind it up.

Mr Callahan: All right. Basically, (a) and (b) get all the money at the beginning. At the end of the fiscal year, if there is any surplus, it goes to health or hospitals. In essence, what you have got is, if a government is playing games and allocates, as has been the example by some people, \$1 to culture and recreation to put the big bucks at the end for hospitals, there is going to be an entire fiscal year that will go by where that is going to be open and exposed to everybody. The press and the opposition will have a field day.

Any government that would be silly enough to do that is courting disaster. They are writing their own death wish out of government. So I do not see that as a problem, but I would like to ask this final question: If I persuaded you that you would not want to see the existing law remain and if you were persuaded to either accept the bill that the government has or what the alliance is suggesting, would you have any objection if it was a third and if the balance of those funds would go to hospital operations? Would you have any problem with that?

Mr Wood: Yes.

Mr Callahan: You would. We understand, and I do not know whether these figures are accurate or not from groups, that there would be some \$152 million if you took a minimum of a third that would be available for distribution throughout Ontario to fund programs. You would have difficulty with the balance?

Mr Wood: Certainly.



Mr Callahan: Would you go to any point—say 50 per cent, such as our good friend Don Gordon has done?

Mr Wood: No, sir.

Mr Callahan: So your position is to scrap the bill and leave it as it is now.

Mr Wood: No, sir. My position is scrap the bill, because I do not believe in it, and create a new one that guarantees that the lottery funds from Wintario go to recreation.

Mr Callahan: Just Wintario.

Mr Wood: Period. Yes, sir.

Mr Callahan: That is an interesting concept. I think I will leave it at that.

The Chairman: As a final comment, Mr Wood, I would like to make sure on two pieces of information we are absolutely clear on the figures and on what has been said by whom. I would like to read into the record one more time the second recommendation by the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario. This has come up a number of times, whether or not they said "minimum" or not, and this is what their second recommendation actually says.

"After combining all the ongoing profits of all six lotteries as contemplated by Bill 119, designate one third of these profits to culture, recreation, sports and fitness. This is comparable to the present profits of the intraprovincial lotteries, \$150 million, and would leave over \$300 million to be spent on hospitals after meeting the proportionately modest needs of the Ontario Trillium Foundation."

I read that in because it does not have any minimum in it. I think the confusion here is that we have a lot of groups which support the alliance position come in and in their briefs definitely say "minimum," but it was not the alliance's position. It was to designate one third. I think that really should be clarified.

Mr Farnan: I wonder if we could have the clerk check the alliance's presentation before us to see if in the presentation there was not a qualification in terms of the discussion and questioning that followed.

The Chairman: We will have that done. It could be in the questions and answers, but what I am reading from is the presentation given.

Mr Farnan: Yes, but let's not nail them down. At this stage, let's check it out and see.

Mr Fleet: Hansard speaks for itself.

The Chairman: As the chair, when this is brought to my attention by my research person, I really think we should clear the air on it, because that was the presentation given by the group. The other thing, with respect to a piece of information that all of the committee got, was a letter dated 25 July 1989 to Stephen Payne, and Ted, I think you were in attendance when we talked about the body of that letter.

There are two paragraphs in that letter that I think we should put on the record, because they clear up in my mind a confusion in the discussion between revenue and accumulated surplus. It is important that we realize what the letter actually says. It says:

"Over the years, Ontario lottery games have proved to be a stable, important source of provincial support for recreational and cultural activities, with funding from this source expected to be more than \$100 million in 1988-89. At the same time, revenues from these lotteries and currently undedicated interprovincial lotteries have increased significantly, and are expected to reach \$455 million in 1988-89. In view of the importance of increased funding for hospitals, Bill 119 proposes the inclusion of hospitals in the lottery funding program.

"The new legislation will allocate lottery funds to the traditional recipients and the Trillium Foundation first, with residual lottery revenues in a given year made available to help fund the operation of hospitals. The proposed amendment will also apply to the unspent balance from the Ontario lottery games prior to April 1, 1988, against the 1988-89 appropriation for the operation of hospitals."

That is the body of the letter that was talked about in Mr Payne's presentation this afternoon. It is definitely related to the revenue as opposed to the accumulated surplus, and I think it is important to note that.

The other piece of information that is pertinent to that is that in the proposed budget for this year, on the revenue side, the guess at the lottery revenue is \$500 million. These are the actual figures that we should be talking about in that context. I thought it would be beneficial for the committee to have that on the record so that we would actually know what the various groups were saying when they talked about those figures.

Ted, you are actually the end of the eighth day of presentations. We did have four cancellations, if I remember correctly, so you are the 76th person making a presentation. I personally, as the chairman, would like to commend the committee on its patience in listening over the last eight days to the briefs. They were interesting. I think we heard a lot of very informed comment by a wide variety of groups in the designated areas in the province.

We are taking a week off now and we reconvene, for the benefit of the committee, in Ottawa on 2 October. Then we come back here for a final three days of hearings and clause-by-clause discussion on 3, 4 and 5 October. Is there any further comment or question by anybody on the committee?

Mr Fleet: Mr Chairman, you have done an excellent job. Thank you.

The Chairman: Thank you very much. In case that was a final thank you, you are going to have to put up with me for another week.

Mr Fleet: It is not a final thank you at all. I was just telling you that I thought you have done an excellent job and you have been very patient with all the members on both sides of the committee and very attentive, yourself, to all the submissions that have been made.

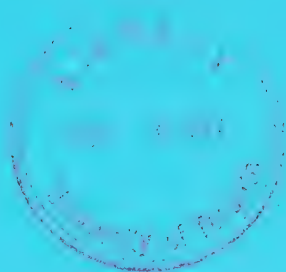
The Chairman: As I have said a number of times, I am very interested in this particular aspect of our society. It is one of my real interest areas and I have found all of this very beneficial, so thank you very much. We stand adjourned until whenever we convene in Ottawa on 2 October.

The committee adjourned at 1703.





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STANDING COMMITTEE ON GENERAL GOVERNMENT

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989

LOI DE 1989 MODIFIANT LA LOI SUR LA SOCIÉTÉ DES LOTERIES DE L'ONTARIO

MONDAY 2 OCTOBER 1989

Morning Sitting



STANDING COMMITTEE ON GENERAL GOVERNMENT

CHAIRMAN: Elliot, R. Walter (Halton North L)

VICE-CHAIRMAN: Faubert, Frank (Scarborough-Ellesmere L)

Bryden, Marion (Beaches-Woodbine NDP)

Callahan, Robert V. (Brampton South L)

Charlton, Brian A. (Hamilton Mountain NDP)

Cordiano, Joseph (Lawrence L)

Cureatz, Sam L. (Durham East PC)

Fleet, David (High Park-Swansea L)

McLean, Allan K. (Simcoe East PC)

Ruprecht, Tony (Parkdale L)

Sola, John (Mississauga East L)

Substitutions:

Farnan, Michael (Cambridge NDP) for Mr Charlton

Pelissero, Harry E. (Lincoln L) for Mr Cordiano

Reycraft, Douglas R. (Middlesex L) for Mr Ruprecht

Clerk: Carrozza, Franco

Witnesses:

From the Council on Aging:

Shea, Gerald, Chairman, Recreation and Leisure Committee; Member, Executive Committee

Blouin, Gabriel, Member, Recreation and Leisure Committee

Routledge, Marion, Member, Recreation and Leisure Committee; former Executive Director, Senior Citizens Council of Ottawa-Carleton

From the Ottawa Symphony Orchestra:

Lederman, Lewis, President

From the Bytown Museum Board of Management:

Cullingham, Gordon, Member, Board of Directors of the Historical Society of Ottawa

From the Glebe Centre:

Hurst, Charles, President

From the City of Ottawa, Parks and Recreation:

O'Neill, Joan, Alderman

LEGISLATIVE ASSEMBLY OF ONTARIO  
STANDING COMMITTEE ON GENERAL GOVERNMENT

Monday 2 October 1989

The committee met at 0937 in the Frontenac Room of the Delta Hotel, Ottawa.

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989  
(continued)

LOI DE 1989 MODIFIANT LA LOI SUR LA SOCIÉTÉ DES LOTERIES DE L'ONTARIO  
(suite)

Consideration of Bill 119, An Act to amend the Ontario Lottery Corporation Act.

The Chairman: The chair recognizes a quorum. I would like to welcome you, ladies and gentlemen, to the adjourned debate, which adjourned on 21 September back in Toronto, to Ottawa beginning at 9:30 this morning. This is the standing committee on general government and we are considering Bill 119, an Act to amend the Ontario Lottery Corporation Act.

The game plan for today—we have about 13 presentations scheduled—is that the deputants have been advised that they have up to half an hour for their presentations. They can use that half-hour in any way they see fit, within reason. If there is time left after the presentation, usually the members of the committee fill that time with pertinent questions.

If the members of the first delegation would like to arrange themselves at the presentation table, we will get on with it. I will indicate that this deputation is on behalf of the Council on Aging of the Ottawa-Carleton region. Gerald Shea, Marion Routledge, Gabriel Blouin and Norma Strachan are the four presenters. I imagine Gerald Shea will be leading off.

COUNCIL ON AGING  
LE CONSEIL SUR LE VIEILLISSEMENT

Mr Shea: My name is Gerald Shea and I appear before you together with my colleagues Marion Routledge on my left and Gabriel Blouin on my right, all of the recreation committee, which is a standing committee of the Council on Aging in the regional municipality of Ottawa-Carleton. We are representing the position being taken at this time by the Council on Aging. Also sitting with us is Norma Strachan. She is the program director of the Council on Aging. It is not likely that Mrs Strachan will be addressing the committee, unless there are pertinent questions she could respond to.

With respect to Bill 119, our submission relates to the provincial government's proposed amendment to the Ontario Lottery Corporation Act of 1975. The Council on Aging represents 60,000 people over 65 years of age and many others whose lives are affected by the conditions of the elder population of this city and the region.

In summary, it is our position that the government should not be able to appropriate accumulated lottery funds that were designated for art and recreation and allocate them wherever it pleases. It is one thing to remove



the dedication of future net profits from Ontario lotteries from the promotion and development of physical fitness, sports, recreation and cultural activities and facilities. It is quite another thing to appropriate what has been reported as almost \$1.6 billion in accumulated lottery funds that were designated for arts and recreation as they were accumulated, and enable the provincial Treasurer to decide how such accumulated funds will be spent.

Culture and recreation were priorities for the use of these funds when they were accumulated. We here submit on behalf of the Council on Aging that it should be and continue to be a fund of accumulated lottery profits available only for use by recreation and cultural groups, earmarked primarily for building arenas, swimming pools, theatres, arts and recreational centres or to finance sports and cultural organizations.

We propose to present our submission to this committee by first reading our brief, in part by myself in English, followed by a part to be read in French by Gabriel Blouin. The final part will be presented by Marion Routledge. We propose thereupon to table our brief for the record of the committee proceedings.

The lottery grants, as we all know, have touched the lives of people in every corner of the province. The elderly, athletes, service clubs, universities, mentally handicapped and others have all been the beneficiaries of lottery dollars. However, this presentation is being made on behalf of the Council on Aging of Ottawa-Carleton, as I indicated, representing 60,000 people over the age of 65 and many others whose lives are touched by these processes.

The objective of the Council on Aging is to enhance the quality of life of the elderly in Ottawa-Carleton in order that each person shall have the opportunity to achieve his or her full potential in enjoying life and contributing to it in one's later years.

The council's activities are directed by a 39-member board composed of representatives of the senior population, professionals and the community at large. An additional 200 volunteers are actively involved in the work of the various standing committees to fulfil the following main functions of the Council on Aging: community education, service development and consultation, planning, research and co-ordination and advocacy.

There is no question that the population is ageing and that recreational needs are changing for the newly emerging elder community. A prime consideration is the importance of having accessible recreation and leisure programs and facilities for this ageing population. If properly funded, recreation can have a significant impact on economic activity in the province, the social wellbeing of the population, the long-term demand for health care services and the public image of our provincial government.

The proposed Bill 119 is perceived by our council as threatening funding that we understood was designated from the outset for a good number of recreation projects that aim to maintain the ageing population as active, contributing and healthy members of society. We therefore oppose it.

We recognize that health care costs are rising and we endorse the position that sound, carefully designed and readily accessible recreational programs for this burgeoning emerging elder population will provide a

significant end-result, cost-reduction mechanism by contributing immeasurably to the continued wellbeing of our elder community.

Locally and provincially, the Ontario population, which is ageing with its seniors, indeed is ageing at a rapid rate both in absolute terms and as a percentage of the total population. For the quarter-century from 1981 to the year 2006 dramatic increases in the number and proportion of elderly Ontarians is projected. The number of persons aged 65 years and over will increase by 51 per cent, to about 1.5 million. Yet it is not anticipated that Ontario's total population will grow as rapidly as it did from 1951 to 1981. As a result, elderly Ontarians will make up a whopping 14 per cent of the total population by the year 2006.

Furthermore, it is projected that the increases will be greatest for the eldest of elderly Ontarians. The number of persons aged 85 years and over will increase by about 117 per cent, to 1.8 per cent of the total population. The number of persons aged 75 to 84 years will increase by 73 per cent, to 5 per cent of the total population. The number of elderly aged 65 to 74 is projected to increase by 31 per cent, to 7.4 per cent of the total population.

And now, Gabriel Blouin.

The Chairman: The French channel is channel 2, ladies and gentlemen.

M. Blouin : Les loisirs ne sont plus un luxe.

Selon la définition figurant dans la déclaration de politique sur les loisirs communautaires appuyée par le Cabinet de l'Ontario, on entend par loisirs <toute activité qu'une personne ou un groupe décide d'entreprendre afin de rendre le temps libre plus intéressant, plus agréable et plus satisfaisant>. Nombre de changements sont intervenus dans la société ontarienne, en plus du fait que la population de la province vieillit. Les gens commencent à évaluer plus largement leur temps de loisirs et à s'éloigner de la stricte déontologie du travail. Diversité et reconnaissance prennent de plus en plus la préséance sur les récompenses financières. Employeurs et employés s'intéressent de plus en plus au temps partiel et aux emplois partagés. Le mode de vie devient un aspect important.

Dans le monde actuel, les loisirs et les sports sont aussi importants pour les 55 ans et plus qu'ils le sont pour les plus jeunes. Les adultes âgés d'aujourd'hui sont physiquement plus actifs et plus mobiles, ont un revenu disponible et un niveau de scolarité plus élevés et exigent davantage d'avoir leur mot à dire dans les services et programmes qui les touchent.

Les programmes de loisirs offrent la possibilité aux adultes âgés d'apprendre, de s'adapter à leur milieu en mutation rapide et de demeurer intégrés dans la société. La puissance stimulante d'un mode de vie sain et actif est la meilleure médecine pour une vie longue et productive.

Ainsi que l'illustre le graphique qui suit, les modes de vie s'avèrent être le facteur clé qui influe sur la survie d'une personne, avant l'environnement, l'hérédité et le système de soins médicaux.

Alors, j'attire votre attention sur le diagramme que nous avons inclus avec le mémoire. Si on regarde la façon dont ça se présente, le mode de vie est un des facteurs qui influent sur les chances de survie d'une personne



jusqu'à l'âge de 65 ans. Ce facteur compte pour à peu près 50 pour cent de ce qui peut influencer sur la vie d'une personne.

La recherche menée par le Dr Roy Shephard, de l'Université de Toronto, montre que la participation à des activités périodiques de loisirs et de conditionnement physique, dans le cadre d'un programme complet de vie, entraîne une diminution de coût des services de santé. Chez les employés évalués, les chercheurs ont constaté que le nombre de jours d'hospitalisation et de réclamations médicales de tous types était inférieur à celui des employés de l'entreprise-témoin après la mise en place du programme de conditionnement physique.

Apparemment, le total des économies en soins de santé se situe en moyenne à 84,50 \$ par employé et par année : 43,50 \$ chez les hommes, 132,40 \$ chez les femmes. Puisque ces données sont fondées sur les données de 1977 et de 1978 du Régime d'assurance-maladie de l'Ontario, ou OHIP, les économies pourraient atteindre, en dollars actuels, un montant considérablement plus élevé. Evidemment, cette étude ne portait que sur les avantages d'un programme de conditionnement physique et, en fait, dans un groupe de la main-d'oeuvre active où on ne trouve habituellement pas beaucoup d'adultes âgés ; mais il demeure quand même qu'elle a permis d'établir des comparaisons financières.

0950

Réponse du Conseil sur le vieillissement au projet de loi 119 : d'autres études, analysées en 1981 par Sue Nickoley-Colquitt, portaient sur les effets des programmes de mieux-vivre et des programmes collectifs sur la santé des aînés. Nombre de centres pour aînés en Ontario se sont récemment lancés dans le domaine des programmes de mieux-vivre, avec des résultats remarquables. Les programmes de ce type sont admissibles à l'aide financière de Wintario dans la catégorie du développement du leadership, car ils reposent souvent sur des pairs-éducateurs et sont fortement ciblés sur les loisirs. Les loisirs peuvent jouer un rôle très proactif dans le système global des soins de santé.

Mrs Routledge: Now a word on the current recreation policies. The community recreation policy approved by cabinet in early 1987 was the product of extensive consultation with ministry clients. It established three long-term goals. It calls on all recreation partners, both public and private, to co-operate and to co-ordinate activities. It stresses the need to maximize the contribution of recreation to the social and economic life of the province. It also advocates the broadest range of recreational opportunities to meet the needs of all individuals.

One of the objectives stated in the community recreation policy is to provide financial assistance to a variety of programs to municipal government and other organizations for the development of community recreation services. In 1988, the Ministry of Tourism and Recreation further expanded this notion by clarifying that the purpose of financial assistance was "to support clients and projects that contribute by accomplishing the goal of the community recreation policy by increasing co-operation and co-ordination, maximizing recreation potential and developing the broadest range of services. The principles are to respond to financial needs, provide public benefits and encourage co-ordinated planning."

While revenue from lotteries has been declining in the past few years, it does provide a much needed source of dollars to support recreational funding. Lottery profits from Ontario games, such as Wintario, Lottario and Instant support physical fitness, sports, culture and recreation. Profits from

Provincial, Super Loto and Lotto 6/49, the interprovincial games, are used for health and environmental research, hospital buildings and equipment, senior citizens' housing and the Ontario Trillium Foundation. In 1986-87, the Ministry of Tourism and Recreation directed \$45.6 million in lottery-based grants to communities and organizations. This provincial funding has significant economic impact. It forces community recognition and action and stimulates contribution from nongovernmental sources. As you know, most funds have to provide matching sources from other places as well.

Provincial involvement demonstrates a legitimacy that translates into private sector involvement. Able, mobile and healthy seniors also have the spending power to stimulate the economy of Ontario, a factor that should not be overlooked. Lottery dollars also produce political impact. The goodwill and public relations benefits to the government are derived through the introduction and support of recreation. These initiatives offer the opportunity to be a source of good news to the public. These opportunities are considerable and cannot be discounted.

Mr. Shea: The problem with Bill 119: In brief, as we see it, Bill 119, designed as it was in the first instance in 1986 as Bill 38 to remove the dedication of net profits from Ontario lotteries to the promotion and development of physical fitness, sports, recreation and cultural activities and facilities, now has taken a significantly different turn in its present design.

Bill 119 continues the thrust of section 9 of the Ontario Lottery Corporation Act that the funds can be appropriated by the Legislature for the promotion of, as above, the notion of the development of physical fitness, sports, recreation and cultural activities and facilities; but it also proposes the additional financing of the Ontario Trillium Foundation with these funds and, more important, it stipulates that any funds not allocated in each fiscal year for the specifically dedicated purposes can then be reallocated by the government for the operation of hospitals.

Furthermore, any unallocated Ontario Lottery Corp revenues which have been allowed to accumulate over the past years can be immediately reallocated for the operation of hospitals. The unallocated funds, during 1986, were \$292 million. In 1988, this total had climbed to \$369 million. Quoting the Ottawa Citizen in a recent report on 1 October, it suggests that the figure is \$1.6 billion in accumulated lottery funds.

It is our complaint that the bill does not guarantee a minimum level of funding for culture, recreation, sports and fitness and that this has detrimental impact on future planning in these fields.

It is also our submission that the unallocated revenues accumulated are not surplus dollars just because they were unspent. We have no doubt that it can be readily demonstrated that numerous examples of legitimate, justifiable projects which were not funded by the Ministry of Tourism and Recreation will be on the books. We understand that hundreds of grant requests that on their face met initial criteria were not and still have not been funded.

Continuing our complaints: Also, all unallocated revenues presently dedicated and now accumulated are to be made immediately available to hospitals. No doubt this important essential funding for hospitals should be recognized but so should the provision of recreation and cultural opportunities to our citizens, including our seniors.



These seniors are also an integral part of our health care system and they require the funding to be used with a recreational orientation. Hospital care provides for people after they get sick; recreation and cultural pursuits encourage a stream of active and involved seniors. Wellness is stressed with a proactive approach. The tendency then is to reduce the focus on sickness and focus on the wellness side of the ageing process so that the sickness does not beget itself.

We are arguing for the retention of these accumulated funds in the recreational and cultural domain as preventive medicine if we must compete for health dollar allocations.

We urge that Bill 119 be rescinded and, failing that, at least there be established a minimum guaranteed funding level which can be relied upon by all clients of the Ministry of Tourism and Recreation and the Ministry of Culture and Communications and is designed to provide Ontario citizens, and seniors in particular, with an appropriate leisure and recreation service delivery system comparable to that in other jurisdictions and capable of meeting adequately the anticipated escalation of demand from the senior segment of our communities in Ontario.

1000

Mrs. Routledge: I should now like to suggest four recommendations. Keeping an ageing population as healthy and active contributing members of society is of paramount importance to the Council on Aging of Ottawa-Carleton. Therefore:

1. We support the recommendation of the OACAO, the Older Adults Centres Association of Ontario, and the PRFO, the Parks and Recreation Federation of Ontario, that the accumulated profits of the dedicated Ontario lotteries, the \$369 million, should be treated as a trust fund and that the interest thereon should be allocated annually to the support of culture, recreation, sports and fitness.

2. We recommend that one third of the annual profits of all six lotteries should be allocated for support of culture, recreation, sports and fitness. This is consistent with the intention of the current Ontario Lottery Corporation Act and in keeping with existing and anticipated needs of the recreation and culture sectors. A proportion, based on the percentage of seniors in the total population, should be allocated for programs and facilities for older adults.

3. We recommend that a public discussion should be held on the criteria for the allocation of these funds.

4. We recommend that a budget be established to make people aware of the existence of these funds and to support community groups in applying for these funds.

Mr. Shea: Time permitting, I would ask Gabriel Blouin to repeat the recommendations of this council in French.

M. Blouin : Je répète donc en français les recommandations qui ont été faites.

Faire en sorte que les personnes vieillissantes soient en santé et actives et demeurent des membres productifs de la société est d'une extrême

importance pour le Conseil sur le vieillissement d'Ottawa-Carleton. En conséquence, nous recommandons ce qui suit :

Premièrement, nous appuyons la recommandation de l'Association ontarienne des centres pour personnes âgées et de la Fédération des parcs et des loisirs de l'Ontario voulant que les bénéfices accumulés par les loteries ontariennes réservées, soit 369 millions de dollars, soient traités comme une caisse de fiducie et que les intérêts de cette caisse soient annuellement affectés au service de la culture, des loisirs, des sports et de la condition physique.

Deuxièmement, nous recommandons que le tiers des bénéfices annuels des six loteries soit affecté à l'appui de la culture, des loisirs, des sports et de la condition physique. Ceci est conforme à l'intention de l'actuelle Loi sur la Société des loteries de l'Ontario et aux besoins actuels et prévus des secteurs des loisirs et de la culture. Une proportion de ce montant, établie d'après le pourcentage des personnes âgées dans la population totale, devrait être attribuée aux programmes et installations destinés aux adultes âgés.

Troisièmement, nous recommandons la tenue d'un débat public sur les critères d'affectation de ces fonds.

Quatrièmement, nous recommandons la création d'un budget, afin de sensibiliser les gens à l'existence de ces fonds et d'appuyer les groupes communautaires qui demandent une aide financière.

Messieurs, le gouvernement a la capacité d'influer de façon considérable sur la santé et sur la qualité de vie futures de la population de l'Ontario. Nous espérons sincèrement que vous choisirez d'agir de façon décisive et dans un sens permettant de faire que les personnes âgées demeurent des membres productifs et en santé de notre société, en acceptant les recommandations que nous formulons ici aujourd'hui. Merci.

Mr Shea: Mr Chairman, you and your committee have the opportunity to make a significant impact on the future health and quality of life of the population of Ontario. We sincerely hope that you choose to act decisively and work towards keeping our older population as healthy, contributing members of society by accepting our recommendations put forward here today.

We thank you for this opportunity to present our views on behalf of our senior population, which we represent, and for the attention of yourself and others.

The Chairman: I would like to thank you for a very complete and comprehensive presentation. In recognizing the first couple of a number of committee members who want to ask questions, I have to point out we only have three or four minutes in the half hour left. Ms Bryden is first and then Mr Reycraft.

Mr Cureatz: Then I think we should have time allocation.

The Chairman: It will be a minute each then if all three want to go.

Ms Bryden: I too would like to commend the group for the excellent brief.

I gather the message you are bringing to us is that you think both the current and accumulated lottery funds should not be diverted to meet current



hospital deficits and needs because the kind of work you are doing is really a form of health care, but a dimension that is not being addressed enough, that is, preventive medicine, especially for our growing senior population. I think that is equally important as having adequate hospital care. Do you think the Treasurer should look at other means of financing hospital needs and stress that your proposals would be even more advantageous in preserving the health of our population?

Mr Shea: Yes. In response, I would say that sums up the main thrust of our presentation, that recreation probably should not be allocated to a sideline in relation to the health system. Preventive medicine is probably more important than we have realized and recognized to date and we should not trivialize that notion by reallocating funds in another direction. I quite agree with your comments.

Mr Reycraft: I too want to thank the Council on Aging for the presentation this morning.

One of the points you make in your brief is that Bill 119 threatens recreation and cultural programs in the province and I wanted to ask about that. When you look at the existing Ontario Lottery Corporation Act and read the debate that occurred in 1975, and you look at what was said and what was not said, and you look at what governments have done since 1975, it becomes very obvious that the government intended to use lottery proceeds to support recreational and cultural programs, but that the government never intended to use all of the lottery proceeds to fund those programs. Indeed, since 1975 governments, majority or minority, Conservative or Liberal, have never done so. Given that situation, how does Bill 119 represent more of a threat to culture and recreation programs than the existing situation?

Mrs Routledge: I think one of the things we are asking for is some kind of guarantee that there will be funding and that is why we are asking for a portion. It is now one third of the lottery future funding. We are not saying that we have to get everything that is coming in the next few years, but we would like to have that guaranteed. As I think we mentioned, it would certainly assist in planning if we knew that there were funds that were going to be earmarked.

One of the other things we have been trying to point out is that a lot of the smaller organizations do not know how to access the funds now and that is why we are saying there should be more publicity of the funds. Very many people, when you talk to them, say: "Oh, I did not know I knew anything about that. We could not access that." And of course, they could have.

The Chairman: Mr Cureatz, one minute.

Mr Cureatz: The parliamentary assistant has got me so provoked, I do not know if I can handle it all in a minute, but I will do my best.

I congratulate the council on their presentation. It is very well documented.

Time and time again, I can see the Liberal members, especially the parliamentary assistant want to be selective. They like to draw in the Conservative government when it suits them to show a precedent, but when they want to set themselves apart from the Conservative government, they are the first ones to stand up in the House and say, "No walls, no barriers."

I want to say to the Council on Aging, they are running the show now. It is their damned responsibility to listen to the numerous groups that have been before the committee. Myself and my New Democratic Party colleagues have heard, over the last number of weeks now, the kinds of presentations that have been made, all saying the same thing that you are saying. It is up to this government to listen to those groups instead of saying what was done in the past.

All that you are saying has been with united voice. I am really impressed with that kind of unity that we are seeing across the province. I especially want to bring forward to your attention page 5, which my New Democrat colleagues and myself, have been bringing out continuously, your second to last paragraph. "It is our understanding that a significant portion of eligible applicants are rejected from Wintario funding. Consequently we question the criteria that have been developed to fund projects in the light of existence of a surplus of \$269 million that has accumulated."

1010

We are concerned, as you are, that when you get into competition with hospitals, as this bill is going to do, that organizations that have been making presentations such as you have done this morning, are going to lose every time against the hospitals. What you are saying to us—and I would like you to confirm—is that you want the security of a selected allocation of funds so you do not have to be continually in an embarrassing position of fighting away a losing proposition when you are up against the health care system.

Mr. Shea: In response to that I would thank you for your support and your comments. We do want the security of an allocation of funds. We are concerned about the motherhood aspect of the hospital allocation. That is a very difficult battle and it will be a continuing battle. Recreation is bound to lose if we are constantly in that forum all the time. The guarantee would take us out of that situation.

The Chairman: Thank you once again for a very complete report, I would like to read into the record that Gerald Shea is the chairperson of the Recreation and Leisure Committee and member of the executive committee of the Council on Aging of the Ottawa-Carleton area; and Marion Routledge is a member of the Recreation and Leisure Committee and former executive director of the Senior Citizens Council of Ottawa-Carleton; and Gabriel Blouin is a member of the Recreation and Leisure Committee of this area. I did not do that at the beginning; I usually do so that both official records are complete. So thank you very much once again.

Our second presentation this morning is on behalf of the Ottawa Symphony Orchestra and Lewis Lederman, the president of that organization, will be making the presentation.

Mr. Farnan: While the group is coming forward, may I have the floor for one moment? I would like to request your rulings to motions that I put forward last week that addressed the request of the alliance and the groups. I would appreciate it, Mr. Chairman, if you would rule whether those motions are in order and if you could give this ruling to the committee by, let's say the end of this morning's sessions, it could be done after the last group this morning.

The Chairman: I think that, as the chair, I am not going to comment



on that at this point in time. We have a presenter at the table and what I requested early on, at least two weeks ago, was that requests like this would not just come out of the blue in session.

Mr Farnan: It is not out of the blue, Mr Chairman. These motions were tabled a week ago. All I am saying to you is, will you use your position as chair to say, "The motions are in order and are accepted as tabled or they are out of order." Because otherwise, if they are out of order, we have the right to know that opposition members of this committee do not have the right to put forward recommendations that respond to the request of the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario, and all of the groups that are appearing before us. It is very fundamental to the process.

The Chairman: With due respect, if you are going to ask a ruling that requires legislative counsel interpretation when we are in Ottawa, that kind of ruling has to be requested in advance, because legislation council is not present.

Mr Farnan: I will be happy if you will tell me that you will have a ruling for me by tomorrow morning. It is very simple for you to make a phone call. I am sure the ruling has already been made. These motions were presented a week ago. What has not come back is the ruling. What I am asking now, in the light of your comments, will you give the guarantee to the committee that we will have a ruling on these motions when we convene tomorrow morning in Toronto.

The Chairman: I said, as I am exercising my prerogative as chair, that I will comment on that at a later date. I am recognizing the presenters at this point in time.

Mr Farnan: I do not think that is good enough because the—

The Chairman: Challenge the ruling and get a vote from the rest of the committee with due respect.

Mr Farnan: No, I do not think it is good enough because I think you are just hiding behind your majority.

Mr Fleet: You are being rude.

Mr Farnan: No, I am not being rude. You are hiding behind your majority, Mr Chairman. The reality of the matter is that we need a ruling. Do members of the opposition have the right to make amendments that respond to the requests of the alliance and of all the groups appearing before us? If we do not have the right to do that, let us be up front and state it.

The Chairman: I submit that what you ought to do is go back and look at the Hansard from the second day when I made that ruling. It is very clear on what that ruling was.

Mr Farnan: No. You have two motions. You made that ruling when there were no motions in front of you. Right now, there are two motions in front of you. Those two motions reflect the concerns of the alliance. They reflect all of the groups—

The Chairman: For the third and last time, either make a motion of nonconfidence in the chair or please give up the microphone.

Mr Farnan: I am making a request that I have a ruling. You turned down the request that I could have a ruling today because you have to go to legal counsel. I accept that. What I am asking you now is—you have a whole day—can I have a ruling tomorrow morning that if an opposition member makes a motion that reflects the requests of the groups, that reflects the request of the alliance, it will be honoured? If we do not have the right to make those motions, let's be up front. What are you afraid of?

The Chairman: I am not afraid of anything and if you would let me comment for just a moment, I would like to put this in perspective for the audience. As chair of this committee, I would like to have the opportunity of listening to all the presentations today. This leaves me exactly an hour and a half over the lunchtime, which is probably the time that legal counsel in Toronto will be out for lunch too. We have to catch a plane back to Toronto tonight, and I would be very glad to get legislative counsel's opinion on this as soon as we get back to Toronto.

Mr Farnan: Legislative counsel has these—

Mr Fleet: This member is out of order and I object to his—

The Chairman: For the third and last time, I am politely saying that you are out of order. Unless you are going to challenge the chair formally for a vote, I would like you to be quiet and let the person making—

Mr Farnan: I am not going to challenge the chair. I am going to say to you—

Mr Fleet: Be quiet.

Mr Farnan: You want to listen to the delegation and I want to listen to the delegation, but I want to know that the delegation's words mean something, if it is asking for certain specific changes to the legislation. If opposition members do not have the right to make those amendments, then you should rule on it now.

Mr Fleet: On a point of order, Mr Chairman: It is clear that Mr Farnan is not prepared to abide by the rules of procedure for today's proceedings.

Mr Farnan: I am asking him for a ruling.

Mr Fleet: The ruling having been made, and since Mr Farnan has not got the wherewithal to even ask for a vote to challenge the chair, he is clearly out of order, but that is not the worst of it. The worst of it is he is insulting everybody who is going to be appearing in front of us by grandstanding and delaying.

Mr Farnan: The groups know exactly what is happening.

The Chairman: Mr Farnan, Mr Fleet is on a point of order.

Mr Fleet: I would simply request—and I realize the chair has been more than lenient with Mr Farnan and more than impartial and fair, but frankly, from the point of view of everybody else around the table, we are embarrassed at his antics.

Mr Cureatz: I am not.



Mr Fleet: I think the rest of us are at any rate.

Mr Farnan: The Liberal members of the government are embarrassed by the situation.

Mr Reycraft: We are embarrassed by you.

Mr Fleet: I find it very difficult to understand a gentleman proposing to use matters of procedure to be abusive of the process. I would request simply that we proceed now with the gentleman who is before us.

Ms Bryden: On a point of order, Mr Chairman: We all know that any member of the committee has the right to submit amendments to the legislation and it is considered a matter of courtesy to submit them in advance before we get to that particular clause. I think Mr Farnan's motions should be on the table tomorrow morning as soon as we start. At that point, you can rule them in or out of order. But I think what he is asking is quite reasonable, that you agree to get him a ruling and accept those motions, until such time as you have an opportunity to look at them, as part of the process.

The Chairman: Are there any other points that anybody would like to make before I recognize Lewis Lederman to make his presentation?

Mr Farnan: I wish to challenge the chair. I am challenging the chair because, at this stage, you have not given us a guarantee that we will have a ruling by tomorrow.

Mr Fleet: That is not debatable. He is not allowed to debate the point.

Mr Farnan: I challenge the chair.

The Chairman: I will do the best I can. Those in favour of supporting the chair at this time? Those opposed? Carried.

Mr Farnan: All government members.

The Chairman: The chair is supported.

I apologize for the delay. Mr Lederman, will you please proceed. This does not take away from your time, incidentally. It just delays the time start for each of the presentations this morning.

1020

#### OTTAWA SYMPHONY ORCHESTRA

Mr Lederman: I am going to be brief in any event. I would like to thank the committee for the opportunity to speak on behalf of the Ottawa Symphony Orchestra. Primarily, what I would like to do this morning is give you some background on the Ottawa Symphony as an example of symphonies across the province, how the funding that we receive from government is essential and at the current levels is fundamental to most orchestras, and how we, and indeed the Ontario Federation of Symphony Orchestras of which we are a part, see the current proposed legislation.

The Ottawa Symphony is in its 25th season. I have handed out a few brochures and if any of you should find yourself in Ottawa this evening, we

are putting on our first performance of the season tonight in the National Arts Centre. We put on about five formal concerts and a number of informal ones in fund-raising and special event activities.

One of our major themes is to assist young people in gaining experience with full symphony orchestras so that they can go on and pursue their professional careers in Canada. We feel young Canadians should get an opportunity to play in Canada and ideally in their own communities.

We also have a theme of trying to play Canadian music. If Canadians will not play Canadian music, it is hard to expect others to, so you will see in our brochure that I have handed out Mr Gellman, who is an Ottawa area composer, and we are featuring him this year.

I should also thank the government for the level of support which we do receive from the Ontario government. We have two major sources of government grants. One is from the regional municipality of Ottawa-Carleton and one is from the Ontario Arts Council. We have a budget of about a quarter of a million dollars, and about 15 per cent of it comes from government grants from these two sources, approximately equivalent.

This year we were pleased to see that we have a slight surplus. We have a surplus of about \$2,000 on our last season. We are one of the few orchestras in the country that balances the budget each year. We are in the black, but we are in the black to the extent of \$2,000. If, for example, our grant from the Ontario Arts Council or any other source of funds had been down, even by a modest amount, we would not have balanced the budget.

What we are looking at is a situation where even a small change in the de facto allocation of resources can have very significant effects on our orchestra and by definition on almost every other orchestra in the province. There is just not a whole lot of extra money around. There are not massive surpluses being earned.

Another very important point in the budgets of all the orchestras is the interdependence of funding. We receive funds from corporations, for example, but the corporations look to the money given by government as an indication, an imprimatur of certification by government that we are operating prudently and that we are performing a useful public function. Meanwhile, the government looks to funding from private sources as an indication that we are meeting a public need, that we do have a market out there. All of these things balance each other.

There is a tendency, I think, in government business and society generally to think of the arts as not as fundamental to societal needs as some other things, and I do not think one ought to get into the business of trading one thing off against another. I think we are all in the business of balancing.

I do not think there is one ultimate good over others but, as a spokesman for the arts, I have to say that in society now with such rapid change, without going into a long dissertation on the nature of the arts, we are trying to focus on quality of life. We are trying to focus on participation.

I think you are going to find over time that people appreciate the fact that you have to slow down, that you do have to stress things that are more spiritual than materialistic. Having said that, I can leave that under the general heading of quality of life.



The major point that the Ottawa Symphony would like to make is in support of the position of the Ontario Federation of Symphony Orchestras, that is, that if the lotteries amending legislation does go forward, at least there should be a guaranteed level of funding for cultural and recreational and sports groups, and we would suggest that the current so-called surplus be put into some sort of endowment for the original purposes of the legislation.

Having said that, I would like to reiterate that most budgets of symphony orchestras are quite tight. They are carefully balanced. We are already contending with very significant market shifts. If Bill 119 goes ahead and if the members of the Legislature do not see fit to put in the guaranteed level of funding and so forth, at least they could put in some substantial transition provisions, because it takes time for people to adapt budgets to different sources of funding.

The Chairman: Thank you very much. I have a number of people on the list. Mr Farnan is the first person.

Mr Farnan: First of all, I would like to thank you for your presentation. At this stage, we have received an extraordinary number of presentations and I do not think there are any new points being made. I think we have basically heard it from culture, sports, fitness and recreation. It is important, of course, that groups from across the province reinforce and reaffirm the same points.

The reality of the matter is that there is a coming together of intent in that culture, the arts, sports, recreation and fitness have come forward with a position which says, "We would like a minimum of a third guaranteed from lottery funds and then the accumulated surplus to be put in trust."

What I have to tell you is this. I submitted two motions last week that reflect that view. It is a position that was supported by my colleagues in the New Democratic Party and indeed by members of the Conservative Party. We have come out and we have listened to all the groups, and we think it is a reasonable situation. I think culture and recreation are saying, "We don't mind money being spent on the hospitals or roads or whatever the government wants to put it into, but at least give us this guarantee." We think that is a very reasonable position, and therefore I put it forward in the form of a motion.

As you saw this morning, my request is that the chairman rule on that motion; in other words, tell us if it is in order or not in order. It might just be that opposition members do not have the right to put forward this change in committee. That is my suspicion, but I want the ruling on that. If that is the ruling, the way the vote went this morning—six Liberals against three opposition members—is the way this bill will go in committee because there has been absolutely no indication, in all of these hearings, that the government is prepared to budge on this. It appears they are not prepared to allow even a judgement on a motion, let alone the motion itself.

Mr Reyecraft: That is a lie.

Mr Faubert: Nonsense.

Mr Callahan: It is also out of order.

Mr Farnan: I thank you for appearing before the committee. The voice that is coming through is very, very clear. The position of culture, arts and

recreation is very clear. My sadness, of course, is that what we are going through is very similar to Sunday shopping.

Mr Cureatz: In the same building, you might add. In the same room.

Mr Farnan: There is a road show going on that is meant to give the appearance of listening, and indeed people can express their views, but when the chips come down, there is no change in this legislation because the members of the committee will do what they are told and the Treasurer (Mr R. F. Nixon) is not going to change it. That is the reality.

1030

Mr Callahan: Is there a question mark after that?

The Chairman: Did you wish to respond to the comment, Mr Lederman?

Mr Lederman: I think to indicate that we all recognize that these are complex and difficult matters and that it is necessary to live within our means provincially, federally and municipally. You just have to read the newspapers every morning to know that. But again, I would stress that it is a matter of balancing.

Apropos of an earlier comment, we are not going back to what the original debates were with respect to the initial legislation. Rather, we are focusing on the existing, de facto levels of funding that we have and stressing the fact that there is a whole structure—what I can speak to is orchestras—of orchestras that is very finely balanced. If this is modified, particularly if it is modified quickly, it can have very, very significant adverse results, I suggest, for every orchestra in the province.

The Chairman: Mr Cureatz?

Mr Callahan: Contain yourselves.

Mr Cureatz: It is difficult. I will say to the parliamentary assistant that although I have the highest regard for him, and I look at him more often as a person trying to do a job than as a Liberal, I do not think you would ever see Bob Nixon calling somebody else, a fellow colleague of the assembly, a liar. I am disappointed that the chairman did not see fit to rule on that, because as he well knows, under our standing orders, and we all heard it, one is not to refer to another as a liar. I am sure the parliamentary assistant on—

The Chairman: Mr Reycraft, since this was put on the record, do you wish to withdraw?

Mr Reycraft: I am a little confused. The week before last, I heard Mr Farnan refer to the Treasurer as a thief on a number of occasions. You did not rule that remark unparliamentary, so I have assumed that the normal rules in the Legislature do not apply in committee. If my assumption is not correct, Mr Chairman—

The Chairman: My clerk tells me that they do.

Mr Reycraft: —I am happy to withdraw the comment.

Mr Farnan: On a point of personal privilege, Mr Chairman: I do not



think at any stage I said the Treasurer was a thief.

Mr Fleet: Go back and reread Hansard.

Mr Farnan: What I said was that if somebody takes funds which have been allocated for a specific purpose—

Mr Fleet: Go back and reread Hansard, Mr Farnan. Reading can be instructive.

Mr Farnan: If I may speak to my point of personal—

Mr Fleet: You interrupt everybody else, so why should you object if somebody interrupts you?

The Chairman: Mr Farnan, I do not recall giving you the permission to speak. I was actually getting a withdrawal from Mr Reycraft. I would like Mr Cureatz to continue, if you do not mind.

Mr Callahan: You certainly struck a chord there.

Mr Farnan: No problem.

Mr Cureatz: Now there is the parliamentary assistant I respect.

Mr Farnan: The money is gone. Let the record show the money is gone.

Mr Cureatz: However, if we want to get into Erskine May—

The Chairman: Mr Cureatz, please continue or your time will be up.

Mr Cureatz: —in terms of calling people thieves, I can remember sitting in the chair during question period, indicating that our own Treasurer was tantamount to a thief when he brought in the extra sales tax. Boy, did I get my fingers rapped for that, but it was still parliamentary. But that is another story.

Mr Pelissero: It is a good thing the House is starting next week.

Mr Cureatz: Now that we have got some of the procedural aspects out of the way, and I am hardly one to be provocative—

Interjection: Pejorative.

Mr Cureatz: —I assure you I want to speak in support of my NDP colleague, where he went on in terms of his motion. Now let's try to focus in on what he is trying to say. This committee is going to continue hearings back in Toronto. I just happen to have the full agenda in front of me, although being one of 17 Conservatives, there are not too many of us to run around the various committees that are taking place so, much to my regret, this is my last day on the committee.

I see on Thursday afternoon at two o'clock it is finally clause-by-clause examination of the legislation. Much to my chagrin, the NDP caucus put forward two motions, but I suppose that is why we are the third party now, because we missed the boat on a lot of these things. But the time will come and, as Bill Ballinger says, "What turns around comes around." Notwithstanding that, I am supportive of my NDP colleague's motion—

Mr Fleet: I think it is, "What goes around comes around."

Mr Cureatz: —because it is very apropos in terms of what is being said by the various groups that are coming before us.

The chairman and the parliamentary assistant have yet to relate to the committee whether the motion will be accepted or not. The difficulty is, if we had any inclination that the motion about the one-third allocation, which very basically has been discussed along the line, was going to be ruled as acceptable for discussion, then the witnesses coming forward, such as yourselves, would have the opportunity of at least airing their concerns or feeling comfortable that, "Yes, those are the kinds of motions we're supportive of." I guess the question is: Would you feel a little more encouraged if the committee recognizes now a motion to be discussed allocating at least a third of the lottery funds towards the recreation and cultural groups?

Mr Lederman: I think I would put it this way. We believe that everyone has heard our views, and there is an old saying that it ain't over until the fat lady sings. There will be a resolution of this after everything has been heard and deliberated. While I would be very happy to hear everyone saying today, "We totally agree with you and we're going to go forth and make this a unanimous recommendation of the committee," I would be content if that happened at a slightly later date.

Mr Cureatz: That would be fine. Then we will wait until Thursday afternoon, and I will be waiting, reading Hansard Thursday night, to see if the proposed New Democratic Party motion has been accepted. I am sure we in the opposition would even accept a government motion reflecting the concerns that have been before us.

Mr Callahan: I enjoyed your presentation. Although you have seen some activity this morning among the group here that actually derogated from hearing—and that is why we are here, to hear from people—I think you would find unanimous agreement between all members of the Legislature that the arts and culture, recreation, sports and so on are very essential to the fabric of this province.

I think it has to be put in perspective that the present law as it exists provided for the funds to be put into the consolidated revenue fund. That is called the government's pot. If we were to withdraw Bill 119, the groups that are coming before us would be in no different situation. They are perhaps advanced slightly by Bill 119. In fact, what happened was that the funds were put into the consolidated revenue fund, and the neat words of the former government were "to be available." I think the very fact that there was a significant surplus—which does not exist any more, by the way; everybody keeps talking about it—that surplus was a direct result of the former government not making the funds "to be available."

Mr Cureatz: Oh, come on. You tell me not to be provocative and here you are slipping right into the same mold.

Mr Callahan: I am just getting into history. I am just presenting history.

Mr Cureatz: It is convenient, selective, ancient history.

Mr Callahan: So "to be available": those words meant nothing.



If you take the present bill, Bill 119—this is a point that was put forward not by me, not by the NDP, not by the Conservatives but by our legislative assistant, our research assistant, who serves this committee on a nonpartisan basis. She said that the interpretation of Bill 119 was that you do not get to the question of moneys for hospitals unless there is a surplus at the end of the fiscal year. The government's fiscal year is from 1 April to 31 March.

So what in fact it does do is prioritize all of the lottery funds to be used for sports, recreation and culture first; second, the Ontario Trillium Foundation, which is really just a rectification of an informal agreement that the government of the day entered into with the charitable corporations; and then only if there is a surplus is that allocated to hospitals.

Why I say that is a little better than what is presently the law is because under the former legislation if the government of the day decided not to make those funds available, it could use them for anything. It could use them for roads; it could use them for any number of government activities.

What this government is doing with Bill 119 is saying that if there is a surplus, it goes to hospitals. In fact, right up front the government has limited the availability of those funds. It has limited it to arts, culture and recreation as a priority and then the surplus at the end of the fiscal year, if there is anything left over, goes to hospitals. So everybody knows the rules of the game.

1040

I agree with you that to a large degree, when Wintario was started, there was created in the minds of the public the fact that this was going to be for sports, recreation and culture. When I bought tickets, they had divers on them, as well as track stars, symphonies and the whole bit. But that was not what the legislation said, so what we are trying to do—and I often wonder why we have done it—is be upfront with the people. We have stirred a sleeping tiger; if we left it alone, you would be no better off. In fact, I suggest you are better off with what you are getting now if this is the way the bill goes through.

Finally, what I would like to say is that I do not understand where Mr Farnan and the New Democratic Party are coming from because he is agreeing with the groups that are coming forward and specifically earmarking certain of those funds for those groups, yet his colleague who is sitting here today is quoted in Hansard in the House as indicating that she would not support any specific designation of funds. So I am not sure whether Ms Bryden has changed her approach or whether Mr Farnan is flying a trip on his own and does not have the support of his caucus.

The Chairman: Do you wish to reply to the comment? These people are making comments and you really do not have to comment on the comments.

Mr Lederman: That is fine. That is part of the political process.

Mr Cureatz: You are used to it, obviously.

Mr Lederman: Well, you not only expect that; that is what people are elected for, you have to talk these things through. In response, though, to the comment, I could say first that if the problem was built into the former legislation, this is an opportunity to remedy it.

Second, despite what words on a piece of paper say, whether it is an agreement or a piece of legislation, there is the very real background of the history against which the words are enforced, known as the administrative practice that enforces them. We are concerned that this new bill signals a change in direction.

As was said by a former speaker, it is very difficult in the current environment, where there is obvious need for hospitals. The medical care system is something that people in this country are justifiably proud of and they want to keep the levels up. You read in the newspaper about people waiting a year in Toronto for operations and, heavens, even having to go to Atlantic Canada to get technicians to come up to Toronto to help out. No citizen of the province or of the country could be happy with that. Obviously, you are going to have to address it and find funds for hospitals and other things.

But we are concerned, on our reading of the legislation, that the wording is not quite as much of a comfort as we have had suggested to us and that it could signal a change. We would think that you could remedy pre-existing problems and improve this bill by building in a guaranteed memo of a third, as suggested.

Ms Bryden: Just to set the record straight, when I spoke on second reading of the bill, I said I would prefer that the bill be withdrawn because I think it is the wrong approach to looking at how to fund our cultural, fitness and sports activities and to guarantee that there must be adequate funds for those purposes.

I would like to ask whether the Ottawa Symphony Orchestra would be able to carry out its 1989-90 program, which has been given to us and looks to be very impressive—would you be able to fund it fully if this legislation went through and you had no guarantee that you were going to get somewhat more perhaps than you got last year?

Mr Lederman: We have not had guarantees previously that we would get particular grants. We are pleased that we have been getting grants in successive years and that they have been going up modestly. They are, if I can recall correctly, in the range of \$17,000 to \$20,000. If the grant did not come through at all or if it came through significantly less, then unless we happened to be pleasantly surprised by other sources of funds or lower expenses, we would go into the red and we would juggle our bank balancings and our cash flow to keep going. We have been around for 25 years; we intend to be around for another 25 years. If this proves to be a significant or permanent market shift on us, then we would have to do as quickly as possible a reorganization of our fund-raising.

The difficult thing we face, though, is that governments at all levels are taking a bigger and bigger chunk of the gross national product. If government gets out of this altogether, what you will have done is, because of taxation levels and so forth, foreclosed an awful lot of other sources of income to us from individuals and corporations, and you will have not filled the gap.

This is not the old days when taxation was relatively modest and government's role in the economy was relatively modest too. It is very significant. I am not sure what the current levels are, but they do not seem to be going down each year.



We are success-oriented. We are determined to be around, but it would be a very great hardship to us and to the people who work for us and with us. We have only one part-time paid employee. Everyone else is a volunteer.

The Chairman: Thank you very much. I appreciate your reasoned presentation after being delayed substantially in getting going on it. It has been very helpful.

Mr Lederman: Thank you, Mr Chairman. One slight postscript, lest I be misunderstood, about the technician coming from Halifax. Having a mother who is a Cape Bretoner and having been raised in Nova Scotia in the 1950s, it is nice to see a focus back on the birthplace of Confederation. Anyway, thank you very much.

The Chairman: Our third presentation this morning is on behalf of the Bytown Museum board of management. You will note on your agenda that exhibit 18 was submitted quite early on with respect to this particular presentation. Gordon Cullingham, a member of the board of directors of the Historical Society of Ottawa, will be making this presentation. Whenever you are ready, Gordon. It is your half-hour.

#### BYTOWN MUSEUM BOARD OF MANAGEMENT

Mr Cullingham: I do not have a prepared presentation, at least not one that is going to occupy very much time. I am a board member of the Historical Society of Ottawa, on whose behalf I am here. We are the owners of the Bytown Museum, which is the oldest stone building in Ottawa—I do not think there are older wooden ones—at the foot of the Ottawa locks. It was built by Colonel By in 1827 and it has been our home for the last 25 years or so.

It has had a lot of recent renovations and is very much a going concern. It also exists in the capital city of this country, which does not have a municipal museum, so this is the only museum that is associated with a local enterprise rather than a federal, national or provincial one. Therefore, we feel pretty strongly that it is an important local institution, like all other museums. We are a member of the Ontario Museums Association, and it is in support of its brief that we want to direct our comments and our support for this.

Our concern, of course, is that we feel threatened by the change in the legislation, and that is why our voice, and the museum's voice generally, I guess, and all the cultural institutions' voices, are being heard. I get some sense from what I have been hearing here that this is a phantom, that there really is not any threat. I cannot judge that.

I know we do not get nearly enough money. I know the application process is enervating, exhausting, time-consuming and, when successful, frequently too late to really be successful because by the time the grant is made, the project for which funds might have been sought may have passed; and of course, one is not allowed to spend in advance, so an awful lot of things that organizations like ours would like to do cannot be done even under the present system.

That would seem to be perhaps reformable, but maybe it is not. It does not relate directly to the threatened reduction in the general pot that is available. It is just one more of those precarious things that makes the life of that kind of an organization teeter on the edge all the time. Of course, it

fills us with great alarm when we see more push on the teeter.

1050

As I understand it, the one third of the revenues from the lotteries which was guaranteed to these sorts of cultural and heritage activities under the previous legislation would remain in place. It is just that if there were something unspent, that would disappear, as the previous accumulated surplus has now disappeared. We do not know entirely what that means. It would appear to mean that we have to be on our toes all the time; that we cannot be late in thinking of any wonderful way we would like to benefit our community for which we have to apply to someone else for funding. There was some comfort, certainly, in knowing that there was a bit of a pot there so one could have a bulge handled. I would think bulges would be harder to handle now, when the amount would be terribly level.

Those are the things we are concerned about. How on earth that will work out if this legislation proceeds as drafted, I do not know, but it certainly does not fill us with warm confidence.

Mr Reycraft: Gordon, thank you for coming before us to make your presentation this morning. I want to address the perceived threat to the funding of culture and recreation programs in the province. I think it is important to comment that the existing Ontario Lottery Corporation Act does not provide any guarantee for any culture or recreational programs. What it says is that the annual profits will be deposited in the consolidated revenue fund to be available for culture and recreation. It does not say that all the profit has to be expended for those purposes. Indeed, since the provincial government got into the lottery business in 1975 it has never allocated all the lottery profits to culture and recreation.

There has always been a sort of competition, I guess, between culture and recreation, schools, hospitals, social services and all the other things that the government allocates funds for. We recognize the fact that programs like the one at your museum are extremely important to the fabric of this society. That is why, in the past five years, we have increased the budgetary allocations for culture and recreation programs by, on average, 9.6 per cent per year. An average of \$27 million per year more has gone into those programs in the past five years. I think that increase in financial support by Treasury is significant and I think it is quite appropriate. I do not believe that culture and recreation should be any more threatened by Bill 119 than by the status quo. I think that the competition that others have talked about has always existed, and despite that, I think that, overall, culture and recreation programs have done well, as they should have, over the last four or five years. I simply wanted to respond to your concern.

The Chairman: Did you wish to react to Mr Reycraft's comment?

Mr Cullingham: I do not think there is very much I can say. My information level does not compare with other people's here, and I really do not know how that system worked. I have heard of this one-third figure. You do not confirm that, so I do not know what the one third means.

Mr Reycraft: There is no such guarantee in existence at the present time.

Mr Cullingham: Was there?



Mr Reycraft: No, there never has been since the Ontario Lottery Corporation Act was passed in 1975.

Mr Cullingham: Where did the figure come from?

The Chairman: Perhaps I could clarify this from my hearing, just from a neutral point of view as the chair. This has definitely been suggested as the alliance position. A number of other groups have supported that particular position, that this might be a good benchmark, a third of the entire net profits of the six lotteries presently in existence.

In my deliberations with respect to the rulings that we talked about a little bit about this morning, the real conflict comes in the standing orders of the Legislative Assembly of Ontario, in that there is no way a committee such as this, or in fact anybody, can direct a minister to specifically spend funds on a continuing basis or to designate funds. That caused a bit of a problem. You have to be very careful in how you word things so there is not an exact specific amount assigned with any kind of amendment or anything you propose to the legislation. It is not really a very easy thing to decide.

Various people give you various opinions on it and finally somebody has to make a ruling as to what his interpretation of it is. That is the problem right now. My understanding is that the revenues from the six lotteries are in the neighbourhood of \$500 million a year, and if you specify a third you are talking about something in the order of \$150 million to \$160 million per year. That is directing a specific amount, so there could be a bit of a problem with that.

Mr Cullingham: That is the historic figure, is it?

The Chairman: It is not a historic—

Mr Cullingham: The one third comes from putting a figure on what in fact was already happening in total terms.

The Chairman: It would be more, because the other thing that is in the mix, since it is an evolutionary kind of thing, is that the six lotteries presently there were not always there. Three of them are inside Ontario and three of them are Canada-wide. There was some confusion until two years ago about the net profits of the Canada-wide ones in particular. Basically, what they are talking about mostly is the ones inside Ontario that we have complete control over. It is a fairly complex mix.

Mr Cullingham: It is, but I think the problem for organizations like this is some sense of reliability and confidence. Perhaps taking a figure like one third looks arbitrary, and it perhaps is, but it removes the arbitrariness of the application process farther down the line where you know that there is some kind of a target there that people understand and you are going to get treated on that basis and not on some swing of another kind of pendulum that says we do not want to work with groups like this.

The Chairman: The one feeling I think we are all getting is that all the groups want some sort of a sense of security with respect to the funding, and hopefully it will be enhanced as much as can be done realistically within the budgetary process. That feeling is coming through loud and clear from everybody who comes before us.

Mr Cullingham: So the only thing we would have to fear is a sudden moral revulsion on the part of Ontarians who do not want to play lotteries any more.

The Chairman: That is another question.

Ms Bryden: I know that historical societies are not always as popular as other cultural and recreation and community activities, and therefore suffer from more uncertainty as to how much they can count on in the future, but I also know that such societies are very valuable in preserving our heritage and our understanding of where we have come from. I would agree with you that your society should have some sort of assurance that you will be allowed to continue at at least the present level and perhaps with some enhancement.

If you look at the legislation, there is no guarantee that the Treasurer has to give a penny to any cultural, recreational or fitness and sport activity. It just says that the money shall be put "into the consolidated revenue fund at such times and in such manner as the Lieutenant Governor in Council may direct, to be available for appropriation by the Legislature,

"(a) for the promotion and development of physical fitness, sports, recreational and cultural activities and facilities therefor; and,

"(b) for the activities of the Ontario Trillium Foundation,

"and the net profits of the corporation paid in the consolidated revenue fund in a fiscal year of Ontario and not so appropriated in the fiscal year shall be applied to, and accounted for in the public accounts of Ontario as part of, the money appropriated by the Legislature in the fiscal year for the operation of hospitals."

1100

The Treasurer could really starve the physical fitness groups and put in nothing in a particular year, and then there will be net profits that could go to hospitals. It has happened in the past that money that was available has not been spent. What my colleague's amendment is doing is to take out that "may direct" and say that the Lieutenant Governor in Council must direct that at least a third of the appropriations should go to the two items: physical fitness, sports, etc, and the activities of the Ontario Trillium Foundation.

This is what we really think has to be written into the legislation. The chairman may say that you cannot do that because it is voting money and the committee cannot recommend the voting of money. But the government in power can bring in a money bill and that is what we would expect if the committee recommends that we should have such a section in our legislation and that the bill should be amended and it should get the approval you need of the Lieutenant Governor as a money bill. That is the only way, I agree, that we can guarantee that a certain proportion of the funds go to recreation and culture.

Mr Callahan: On a point of order, Mr Chairman: I am sure Ms Bryden does not mean to say this, but she is suggesting that some member of this committee, be he of the government or the opposition, can bring an amendment to this bill, a money bill. I suggest the standing orders clearly say that has to be done by a minister of the crown. I am sure you would not want to mislead this witness by telling him what I thought you said. Perhaps you would like to



clarify that what I am saying is correct, that it could not be done unless it was moved by a minister of the crown.

Ms Bryden: I am not asking the committee to move the amendment. I am asking the committee to recommend to the government that it bring in a bill that would appropriate a certain section of the lottery revenues for the kind of purposes Mr Cullingham has recommended. This is still possible, so we should not get lost in constitutional details. We can recommend it as a committee.

The Chairman: Are there further questions or comments? I would like to thank you very much, Gordon Cullingham, for your presentation on behalf of the Bytown Museum Board of Management.

Our next presentation this morning is on behalf of The Glebe Centre. Charles K. Hurst, the president of that organization, will be making the presentation. Again, I bring the committee's attention to the fact that exhibit 15 relates to this presentation, and you should have a two-page handout as well.

#### THE GLEBE CENTRE

Mr Hurst: I am Charles Hurst, president of The Glebe Centre Inc, a nonprofit corporation dedicated to serve the needs of the elderly in the Ottawa-Carleton region. At present, the corporation operates a residence for 195 persons, an elderly persons' activity centre and a support service for seniors who remain in their own homes in the community.

The Ministry of Health advised the corporation in June 1988 that it was prepared to approve the operation by The Glebe Centre of a 70-bed nursing facility. It is expected that construction of the new building will begin in April 1990.

The elderly persons' activity centre is a heritage building that has served the community for over a century, first as a residence for elderly men and now as a seniors' activity centre. This building is now being renovated to make it more effective and economically viable.

Changes in the Ontario Lottery Corporation Act are of considerable interest to The Glebe Centre Inc. As you see, we have a broad interest not only in cultural but also in health operations of the system in Ontario.

As a nonprofit corporation, The Glebe Centre relies on donations from the community, program fees, and grants from various government bodies to maintain its viability. There is a changing pattern in approach that governments and the individuals in the community take towards providing funds for volunteer nonprofit activities.

The following is a quotation from an article that appeared in the August issue of Saturday Night: "Canadians are giving 30 per cent less to charity than they did 20 years ago, an average of only three quarters of one per cent of their income, one third less than our American friends. Corporations represent seven per cent of all moneys raised by charity, down from nine per cent 20 years ago. American corporations also give four times as much as Canadian companies."

No Canadian who receives service from Canada Post can be unaware of the ever-growing number of organizations that are asking for a share of the

available charitable funds. Governments at all levels are becoming more concerned over increasing deficits and the increasing demands being made by the public for more services. A major sector of the services that seems to be in serious trouble is the provision of health care.

I can understand and sympathize with the government in seeking sources of funds that will relieve the pressure from the major hospitals to eliminate their deficits. However, to reallocate funds from one established program to another will prove to be only a temporary palliative. May I suggest that there be a realistic evaluation of the health services of the province which includes the hospitals.

One glaring example of the skewed health system can be found in the provision of long-term care. In Ottawa, there is a shortage in the number of nursing or extended care beds available. Some of those waiting for nursing beds are accommodated in active treatment beds in general hospitals. The payment for these is over \$300 a day out of OHIP funds. If they are treated in a nursing facility, the cost is \$100 a day. Additional nursing or extended care beds would provide a saving of \$200 per day per bed, or a saving of about \$75,000 per year for each nursing bed replacing an active treatment bed.

An attempt to solve the problem of hospital deficits by changing the terms of the Ontario Lottery Corporation Act would appear only to postpone the inevitable major adjustment required in the Ontario health system. As I recognize, statements made by the Minister of Health (Mrs Caplan) over the past few years place more emphasis on health education and reduction of institutionalization by changing lifestyles, such as the reduction of drug and alcohol dependency and smoking, rather than treatment after the fact. This is the approach we would strongly recommend and we would suggest that maybe these factors should be considered in any consideration of Bill 119.

Ms Bryden: I think Mr Hurst has again underlined that we are robbing Peter to pay Paul if we let this bill go through. The needs to which lottery funds have been allocated in the past are still there and growing and other government sources of assistance are drying up. Therefore, it is better not to proceed. I will not say Mr Hurst has concluded this, but this is my conclusion, that we should not proceed with Bill 119 but should look at new legislation from the government, if it thinks it is necessary, to clarify the allocation of lottery funds.

Do you feel that The Glebe Centre would have to curtail its activities if it were not able to obtain at least the amount of funds it has been receiving in the past, and are its needs also growing?

Mr Hurst: Our actual need for funds from lotteries is minimal. We are interested in the cultural aspects of it because we have a heritage building that is designated as such and is used as an activity centre for seniors that involves cultural, physical and other activities. We actually have an application in to the lottery fund for some assistance in renovating our old heritage building.

If we do not get the funds, of course this will impede the effective use of the building; however, it will not stop it. It is just that we feel the funds available to the province are not adequate to take care of all the programs the province wishes to carry out.



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Indeed, there is also pressure on the volunteer sector because there are many more organizations than there were a few years ago. For example, when I first got involved in the United Way many years ago, there were 17 agencies. Now this year there are over 51 and next year there will be a group of health services in the United Way program in Ottawa. That puts terrific pressure on the volunteer agencies.

When you see that the average givings are dropping in the volunteer sector, this means that the government is going to be pushed for more and more involvement in this sort of thing because the volunteer sector is not going to carry it, whereas it should be encouraging the development of volunteers in the social pattern so that they can take a bigger and bigger part in the provision of social welfare, social services and recreational facilities for the municipalities and the province.

It seems to me that rather than trying to restrict the activities in terms of funding, which I do not think is what this bill intends, I think I would like to see some of the funds put into developing volunteer activities, volunteer services and also community health services. In other words, I think that making a designation to the hospitals is a mistake. I think the hospitals have a problem, but that is a problem that is endemic with the whole health system. I am sure that this act is not intended to cure all the ills of the health system in Ontario, but I am suggesting that maybe this is just a finger in the dike.

Mr Pelissero: I think what triggered my request to either question or make a statement was your mentioning that when you got involved in the United Way, there were 17 agencies and now there are 51 agencies. I think if we were to ask our researcher to look at the number of applications in the last four or five years that have come in for requests from cultural, sport and recreation groups, you would probably find that it has grown in the same proportion as the funding. My colleague Mr Reycraft identified that funding has gone up a little over 9.6 per cent on an average basis. That is the challenge.

There was a group before us this morning, the Council on Aging, which said that we should get the information out to more groups on applying. I do not know that would necessarily solve the problem, because if you have a limited pie to a degree, and you get more groups applying, you will have assistance that may not be meaningful at all if you are going to spread it a lot thinner.

I am interested in your suggestion in terms of encouraging people to be volunteers. You have obviously stated some figures here in terms of how we like to think of ourselves as being a generous nation, yet it is only one third when it comes to speaking with our pocketbook, as opposed to just paying lipservice to the whole volunteer sector.

What suggestions would you have in terms of how to get people to become volunteers?

Mr Hurst: I think it is the whole social pattern in Ontario and the rest of the country. As a matter of fact, I guess it universal. Because of the heavy pressure on families to maintain their standard of living, you get fewer and fewer of the women who used to be a very strong part of the volunteer sector. The mothers who looked after the children at home had the spare time

in which to conduct volunteer activities. Now, because of the pressure on the family, there are fewer and fewer of these people available as volunteers. So you are going to have to focus in on seniors to provide this volunteer service. Seniors are healthier and they live longer and they are much more energetic than they were, say, 50 years ago.

Mr Pelissero: Regardless of what Don Blenkarn said?

Mr Hurst: I did not hear what Don Blenkarn said.

Mr Pelissero: Mr Blenkarn was referring to the fact of the goods and services tax and that it would not have a significant impact on seniors because seniors are less active and do not wear their clothes out as fast.

Mr Cureatz: He said that in relation to his own parents. I heard the quote myself.

Mr Pelissero: He went on to further dig the ditch, but anyway.

Mr Cureatz: I had given up on you guys when you got your big majority. We saw how arrogant your government is.

Interjections.

The Chairman: Ms Bryden is waiting patiently to have a supplementary here, Mr Pelissero.

Mr Pelissero: I am finished. Thank you.

Mr Hurst: I think it would not be too good to carry on a long discussion on volunteers but, for example, I do not think there is in Canada a university that gives a degree in voluntarism. As far as I know, and this is dated information, there was only one in the United States a few years ago. They may have some others.

We need to be able to use those volunteers. The difficulty, and I am speaking as a senior, is that when you give something for nothing, nobody really appreciates the value of it. There has to be some kind of way to recognize the expertise that there is in the elderly community. You just do not get them closing envelopes and putting stamps on. There is a lot of terrific expertise.

A seniors' employment bureau, which was established in Ottawa a few years ago for assisting seniors to get employment, has a terrific list of people, ranging from a research scientist down to a gardener or an office worker, who have indicated their interest in part-time and full-time employment. These people have gone into the community and have been doing creative work and been paid. They do this because, first of all, they have problems economically and they need the extra money a part-time job gives them; but they also need the satisfaction they get from providing some service.

If you are sitting around watching the old boob tube, your mind eventually just turns to water. If you go down to Florida, as a lot of people do for six months or so every year, and just sit on the beach or play golf, you are really not producing anything useful to the community except that you are giving the American business people your money to buy services and so on.



It seems to me that we have to challenge the older people to be more interested in volunteering their activities. I am sure there must be some way of doing that even if it happens to be some kind of recognition in terms of a tax receipt of some kind. That has been proposed before and has always been turned down, but I think there is some validity in it.

Ms Bryden: I certainly was very interested in Mr Hurst's comment about the importance of developing more voluntary activities and more personal involvement in meeting community needs. I think this is a new dimension that lottery funds might be considered for. It could be an expansion of the Trillium Foundation's mandate to look into that kind of funding or it could be a separate fund for perhaps developing voluntary activities for seniors.

Our first brief this morning indicated that getting seniors involved in voluntary activities was very conducive to developing their healthy wellbeing and, as you say, their recognition. Do you think it would be worth suggesting that the committee recommend that if there is going to be any legislation regarding allocation, there be a section devoted to distributing funds to develop voluntary activities, particularly for seniors but for other members of the population who could also contribute?

Mr Hurst: From my point of view, I think that would be an excellent idea. I cannot speak for any organizations I belong to, but that is a personal view, yes.

The Chairman: I would like to thank you very much for your presentation, Mr Hurst, and for a different point of view on it from the volunteer concept. I think that is probably the first time that has been suggested in more than 80 presentations we have experienced so far. It was a good additional comment.

Our next presentation is to be on the behalf of the city of Ottawa, the parks and recreation department. Joan O'Neill is to make that presentation. As far as our clerk can determine, Joan is not with us at the moment. We are about 10 minutes early, so what I suggest we do is take a recess until 1130 and hopefully Joan will be in attendance by that time. We will continue then.

The committee recessed at 1120.

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The Chairman: The Chair recognizes a quorum. I would like to begin with our final presentation of this morning. The reason I say that is we were expecting Norma Coleman, the deputy clerk from the township of Beckwith, to make a presentation at noon. She has cancelled just this morning, so this will be the final presentation of this morning. On behalf of the city of Ottawa, Parks and Recreation, Joan O'Neill will be doing the presentation.

#### CITY OF OTTAWA, PARKS AND RECREATION

Alderman O'Neill: Good morning. Thank you very much for the opportunity. I am pleased that the committee chose to travel to eastern Ontario to make it a little easier for some of us in this neck of the woods to come forward and give you our concerns.

I am here on behalf of Mayor Jim Durrell of the city of Ottawa. I chair our community services and operations committee, which is the recreation and culture committee of the city of Ottawa, as well as the engineering and works

committee. We do a little bit of everything, but certainly we are very interested in and responsible for the fields of recreation and culture at the city.

Recently, Ottawa city council passed a motion in relation to the proposed changes to Bill 119. Basically, what Ottawa city council is saying is that we would prefer to see—initially we want no changes made until we have had an opportunity to put forward our concerns. Our basic concerns are that we would appreciate the money that is existing now. I have heard different figures thrown about as to how much is sitting in the fund at this moment. One figure that I have heard is \$369 million, I have heard \$300 million and I have also heard higher amounts.

At any rate, whatever amount exists at this moment in the fund, we would prefer that money to be divided up among municipalities across this province to fund municipal recreational and cultural activities or buildings, whatever; in essence, the purpose that the lottery was set up for in the first place. We would like to see the money that is in the fund right now being spent for that purpose.

We do not, as a council, object to involving the health field and hospitals in sharing in future funds from these lotteries; however, we would be very upset if there were not a specific percentage of the money allocated to recreation and culture, so that we do not end up with the bulk of the money—90 per cent or some figure such as that—being given to hospitals and health care and only a small amount left over for recreation and culture.

Again, as I say, we certainly do not object to hospitals having a share in future funding. We question, and I am sure you will be checking, the legal implications of spending the money that you have now. When people buy these tickets most people, I am sure, assume they are buying them to help support recreation and culture in the province. To use that money now for another purpose, I am not sure what the legal implications would be—I am not a lawyer—but I would assume that there may be some problems with doing that legally, almost like a false pretence in selling the tickets originally. That is why we are so interested in having what exists in the fund now being spent for recreation and cultural purposes.

We also want to make the strong point that recreation and culture can certainly be considered a part of health care. I think we have all recognized now how—I heard one gentleman saying he had already had his five-mile walk this morning, very commendable. I have not, but certainly—

Mr. Reycraft: Five miles?

Alderman O'Neill: Yes. Impressive, is it not?

Interjection: And he found his way back.

Alderman O'Neill: I will not comment on that.

Mr. Callahan: He was dropping popcorn behind him.

The Chairman: Perhaps that is why he is all wet today.

Alderman O'Neill: Maybe. At any rate, we did have a nice sunny weekend for you. Unfortunately, Monday morning came around a little wet and dreary.



Certainly we all recognize the benefit of keeping both mentally and physically fit and the benefit that contributes to health care, particularly our ageing population. As we all know, in Ontario an increasing percentage of our population is 65 and over, and a very increasing number is even over the age of 80, and the key to good health in many cases is keeping these people mentally and physically alert.

In speaking as an Ottawa alderman—and I know that you already have had or will have a presentation from Alderman Diane Holmes, who also sits on regional council with me; she is going to speak from the regional perspective—from purely a city of Ottawa perspective, we certainly do have a long list of recreational facilities that we are, as I am sure most other municipalities are, in the process of either building or repairing, and many of these facilities will definitely be geared to seniors.

We are doing a very large reconstruction of Lansdowne Park. Lansdowne Park is a large, 53-acre park right in the heart in the city of Ottawa, in the Glebe area, where we have for years—for the last 100 years, as a matter of fact—held our exhibition. We are contemplating moving the exhibition out to a more rural setting, where we have more room and we will not impact on the surrounding neighbours quite as adversely, and until, of course, the urban sprawl reaches us, wherever we go, which I am sure will happen eventually. However, that leaves us with a large piece of land, a very expensive and valuable piece of real estate, in the core of our city that we are looking to redevelop.

We want to expand our trade show facilities. The city of Ottawa, certainly the region of Ottawa-Carleton, the fourth largest region across Canada, really has very poor trade show facilities. It is almost embarrassing to invite people to the city and have them set up in the conditions that we have. Bear in mind that you have to leave one building and physically go outside to get to the next building, which, in our Ottawa winters, is not the most attractive prospect. Then, when you get to the building, you are lucky if the roof is not leaking. It is very close to being a condemned building and desperately needs to be torn down and replaced, so we would like to build large trade show facilities on that site.

We are in the process of trying to restore the Aberdeen Pavilion, or the "Cattle Castle," as it is affectionately known, which is one of the last remaining structures of its type in North America. We want to preserve that as a heritage building and utilize it, have an underground connection and utilize it as part of this trade show space we will be building. That building alone has a \$9-million pricetag to renovate and fix up for that use. We have about \$8 million in hand, \$6 million of that from the city of Ottawa taxpayers. We were hoping to get a further \$1 million from the federal government and we just received a letter saying we will not.

As well, we have curling facilities at Lansdowne Park used in large part by senior citizens in the city of Ottawa. We have to relocate those facilities; again, the buildings they are in are just barely hanging on. Most of these buildings, if they were not municipal buildings, I dare say probably would have been condemned earlier, and we certainly do have to relocate them. We would prefer to relocate them outside of the park, but regardless of where we put the curling facilities, certainly there is an additional expense. Just refurbishing Lansdowne Park has a pricetag of about \$44 million on it, and that does not count rebuilding of curling facilities somewhere offsite.

The other major facility the city of Ottawa is lacking—and it is really

hard to believe this of the capital city and the fourth largest metropolitan area in this country—is an indoor track. We now use one of our buildings, as I said, that we utilize for trade shows and everything else, and we have a portable track that we set up in it. You can imagine the track and field community's delight when we bump it out for weeks at a time because we have to use the building for other facilities and we have to take this track apart and let someone else into the building. So really, we are desperate. For a major city, certainly those two major facilities are sorely lacking.

Of course, we have another list of smaller recreational facilities that we are attempting to build as well. I am sure the province is very familiar with the fact that we are developing Arts Court. It was the old provincial courthouse building which the province did donate to the region. We have dedicated it as an arts court, and we are in the process of doing some major renovations to that building as well: preserving it as a historical building and part of our history and part of the history of the province, in order to let arts groups utilize that building.

So we do have a long list of fairly expensive projects, as I said before—I am sure you hear this wherever you go, I am sure most municipalities do—but certainly very worthwhile projects that have been neglected for a long time in the city of Ottawa. This council is trying to come to grips with those lacking facilities and trying to do something about it.

Again, to sum up very briefly, we do have a great need for recreational facilities, and we really would feel quite cheated as a city if the money that existed in the fund right now were not applied to some of these needs that exist at the moment and that we thought the money could be applied to. As well, we have no problem with future funds being shared with the hospitals, but we would prefer to see a set percentage given, whether it is split into thirds or halves or however you wish to do it. But if there were a set amount, at least then municipalities would have an idea of what the total fund was going to be, and what chance they would have of receiving moneys if they applied for it. It is very difficult if there is a bulk amount and you apply, and then you are told that the bulk of it has gone to hospitals so there is nothing left, or not much left, for recreation and culture.

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Those are the concerns, in a nutshell, of the Ottawa city council. We certainly appreciate, as I say, the opportunity to present these concerns to you and trust that they will be taken into consideration before the final bill is passed.

The Chairman: Thank you very much. I have a number of questioners or commenters. Sometimes they just make comments. Mr Farnan is first.

Mr Farnan: Thank you for your presentation. Are you under the impression that this committee is empowered to make changes that would reflect the request of all the groups we have heard that the funds or a minimum percentage be designated for culture and recreation?

Alderman O'Neill: If you are asking if I think you could recommend that specific projects be funded, no, I realize that.

Mr Farnan: Do you think we have the power as a committee to make a change which says that a minimum of one third of lottery profits would be designated for culture and recreation?



Alderman O'Neill: I would assume that you as a committee do not have the power to make the change, but I would assume that you have the power and capability of suggesting that the change be made.

Mr Farnan: Let me say this—

Mr Fleet: Was that not the answer you wanted?

Mr Callahan: Do you want to try that again?

Interjection: Give it to her in writing.

Mr Farnan: —after the jubilation is over. The question is this: I have moved a motion that would reflect the changes. However, I will help the chairman out. Standing order 15, according to the legal counsel of the Legislative Assembly, says that only the minister, with a commendation of the Lieutenant Governor, can direct such a change of the allocation of funds. It is my interpretation, based on legal counsel, that no member of the opposition has the right to put forward a motion that would suggest where those funds would go, even for debate.

The chairman has told us that he will have a ruling on this by tomorrow. The reality of the matter is that all of the groups coming forward are suggesting changes. I do not believe even the members of the government sitting on this committee have that power. It must be the minister with a letter of commendation from the Lieutenant Governor. I think we are getting to a stage where we have to realize that unless the minister is going to intervene with a letter from the Lieutenant Governor, we have to ask for the rescinding of this bill, because the changes will not be possible without that.

It is a tragic kind of situation, because obviously we are spending tens of thousands of taxpayers' dollars travelling the province and bringing delegations to Toronto, and the recommendations are very clear. I think what you are saying is, "We don't object to money going to hospitals, but we want a minimum to go to culture and recreation."

You questioned the legality of using the unallocated surplus, and I think the Attorney General (Mr Scott) has already made a decision on that. He thinks it would be out of order for that unallocated surplus to be used for anything other than culture and recreation.

In fact, this legislation legalizes the theft of those funds. Those funds have been used for other purposes, and this act will now legalize the theft of those funds.

Mr Reycraft: On a point of order, Mr Chairman: Mr Farnan is suggesting that the government has stolen the funds when he says that this bill would legalize the "theft." I submit that the language is unparliamentary, and I ask you to request him to withdraw the remark.

Mr Farnan: I will define "theft." "Theft" is when there are funds here and someone takes it without due permission.

Mr Fleet: Point of order—

Mr Farnan: If the parliamentary assistant wishes to presume that the government is guilty of theft, that is fine; I did not say that.

Interjections.

The Chairman: Order.

Mr Farnan: I said the funds have been stolen. Who stole them? The parliamentary assistant presumes that it is the government that has stolen them. I said that the funds were there and they were stolen; they are not there any more. The parliamentary assistant says I am accusing the government. If you think I am accusing the government, so be it. Maybe they are the ones who removed the funds. You are making that assumption.

The Chairman: On a point of order, I have to make a ruling on this, Mr Farnan, and what I heard you say was that the funds were stolen—

Mr Farnan: That is right.

The Chairman: —and your explanation, which was unsolicited, really is not satisfactory. I think you really should be decent enough to withdraw that remark. This has been said a number of times and because it was never challenged, I really never ruled on it before.

Mr Farnan: I stand by the fact that the funds that were there are no longer there. In my book, that is—

The Chairman: Are you refusing to withdraw?

Mr Farnan: I am refusing to withdraw.

Mr Cureatz: I think you will have to get a legislative ruling, which will no doubt be ready tomorrow morning.

Interjections.

Mr Reycraft: Mr Chairman, I would request that you seek some advice on this from perhaps the Clerk of the Legislature.

Mr Cureatz: And report back tomorrow morning.

The Chairman: I would like to make a couple of other comments at this point, too. I will do the best I can to report back tomorrow morning on this suggestion by Mr Reycraft, who raised the point of order. I think we should really clear the air. Joan, you are in sort of a dogfight here that started a little bit earlier this morning when you were not here.

Alderman O'Neill: Sorry.

The Chairman: You did not do anything wrong. Concerning the couple of pieces of information, though, that were given to you by Mr Farnan just recently, he said that legislative counsel has ruled, and continued—

Mr Farnan: No, given advice.

The Chairman: This is the point I want to make absolutely clear, because I have been seeking counsel at the same place and what they do is give an opinion. What is done with that opinion depends on this committee, and when I give a ruling, it is my ruling. I can be wrong or I can be right or I can be some place in between on a ruling, and as I suggested to a couple of other people, this particular point is very complex. The word I objected to earlier



this morning, which Mr Farnan tends to use a lot, is will our chairman "guarantee." I think that is a very definitive kind of word, which I will never accept, because I will do the best I can to get a ruling and I know, on the basis of a year's performance in the chair, that I have done the best I could and often I come up with rulings in the time—sometimes I have not been able to, but I said I would do the best I can by tomorrow to give a ruling on the request this morning again, and plan to do that to the best of my ability.

I do not want legislative counsel or the other people who are giving opinions on this to be brought into this in a way that is unfair. It is this committee that has to make a decision, and in that regard, it has been suggested that the "only" alternative—these are the kinds of words that parliamentarians seem to use, in my limited experience—is to withdraw the bill. That really is not the only.

One of the things this committee might choose to do is not report it back to the House. There are a number of alternatives we have available to us. My submission is that when we get to the clause-by-clause on Thursday afternoon, these alternatives will be available to all of us and we will make a collective committee decision, and the verbiage, because it is in camera, will probably not be there at that point because the press is not available to pick it up for publicity reasons.

I want to say that, because I think we ought to settle it this week. We have another two and a half days, and those of us who have been involved in the arts community for more than 25 years are just as concerned as anybody who comes before us about the assurances being there for the level of funding being maintained and enhanced. A lot of us have been working towards this for a lot of years.

I would just like to level the water with a little oil on it, because when you come in for your half-hour and you get caught in what I call the diatribe that goes back and forth, without all the information, you sometimes seem to be misinformed on it. These are parts of the reason for some of these comments being made here this morning.

I have two rulings to make tomorrow, if I understand it.

Mr Farnan was the person speaking. Are you finished? Mr Reycraft and Mrs Bryden would like to ask a question or make a comment.

Mr Farnan: That is fine. I think I have made my point.

1200

Mr Reycraft: I want to thank Alderman O'Neill for coming in and making a presentation on behalf of the council of the city of Ottawa. I am sure that Alderman O'Neill is accustomed to disagreements among politicians from time to time and is not surprised at all by the proceedings this morning.

I wanted to comment briefly on the lottery profits that have not been allocated in any year to culture and recreation. You suggested that these moneys were sitting in a fund somewhere. The existing lottery corporation act says that the profits that are earned each year from the various lotteries are to be transferred by the Ontario Lottery Corp to the Treasurer to be placed in the consolidated revenue fund, "to be available" for appropriation to culture, recreation, sport and fitness. The legislation does not say that all of the funds must be allocated for those areas in any given year or indeed at any point in time.

What governments have done over the last 14 years is allocate a certain portion of the lottery profits they have received from the corporation to culture and recreation, to programs that are delivered by three different ministries: Citizenship, Culture and Communications, and Tourism and Recreation. But a large amount of money has not been allocated and it is that unallocated surplus that I think you are referring to when you suggest that there are some moneys sitting in a fund.

There is no reserve fund, per se, in which these moneys are stored. The moneys that have not been allocated for culture and recreation in a particular year have been appropriated in other areas, so there is no pot there of \$1.6 billion, or whatever amount of money it is, waiting for distribution to culture and recreation. I would submit—

Alderman O'Neill: May I just ask, when the needs—certainly, as I indicated, our needs are great and I am sure they are across the province—are so great, why has this money not been made available for recreation and culture?

Mr. Reycraft: Treasurers, in preparing their annual budgets over the years, have made a determination on the amount of money that should be transferred from those lottery profits to lottery-based programs. That amount of money in this fiscal year is somewhere between \$100 million and \$110 million. The total profits expected or projected to be earned from lotteries this year are some \$500 million. So there is a significant gap.

I recognize the fact that the recreation and cultural communities of the province would like to see a greater allocation. We can also say that of hospital boards, school boards and virtually all kinds of agencies in the province. I have not yet encountered any group in this province that says: "Stop. You're allocating too much money to us. We don't want any more." They all think they have a legitimate need to more funding and I appreciate their position.

It is my view, in looking back at the debate that occurred when the original bill was passed, that it was never the intention of the government to allocate all of the moneys to culture and recreation. I think that is made obvious by the fact that in the very first year or two years after the province got into the lottery business not all of the funds were so allocated. I wanted to make it clear to you what the status was of that unallocated surplus.

I have a question, also, that I would like to ask, with respect to your recommendation about dedicating a percentage of the lottery funds to recreation or to any other purpose. You are familiar, I am sure, with the municipal budgetary process. Is that kind of recommendation consistent with that municipal budget process? In other words, do you make a precommitment to groups or agencies that usually receive public funds from city council? Do you make long-term commitments to those groups? Do you target specific revenues to them?

Mrs. O'Neill: When we do our five-year planning, we definitely set aside bulk amounts to be used both for capital funding of recreational projects and for operating budgets. To ask whether we specifically say that this group will get X dollars at budget time, no, but there is a bulk amount in a particular fund.

For example, we have a very popular and successful purchase-of-service



arrangement in the city of Ottawa where we purchase services from community groups. We give them money and they provide us with X amount of recreational services. Most of those groups anticipate—and quite rightly so—that every year they will receive what they received the year before, plus an inflationary cost-of-living allowance. While it is not guaranteed to them, it certainly is an expectation and it is certainly something we budget for every year.

So I would have to say yes, we do, and we certainly have bulk amounts every year for capital funding. We have a list of projects. As they come up in priority and when the money is there, they get funded in a particular year.

Mr. Reycraft: I think that is true of the school boards and the recreation groups in the province as well. They assume that their funding from the provincial government is not going to be cut back and that it will be increased gradually. That is what has been happening, at least in the last few years.

Alderman O'Neill: Just to refer very briefly to your point that it was never intended that all this money would be spent on recreation and culture, as someone sitting out there in the public it is something I always assumed and possibly the public assumed incorrectly. I appreciate being informed that that was not always the case, but certainly that seems to be the general feeling out there.

Mr. Reycraft: In fact, the government in 1975, with the support of the New Democrats, rejected an amendment that would have required all the lottery profits to be used for culture and recreation. So it is not something that just happened. They made a decision in the Legislature in 1975 not to designate all of the funds for those purposes.

Ms. Bryden: I do commend Mrs. O'Neill for coming before us and telling us what it is like from the municipal council level. The fact that she is chair of recreation and works means that she brought a different dimension to us of the need in what might be called part of the recreation and culture field, namely capital works. Those of us who were in the Legislature in the past 10 years know that a lot of the first lottery funds went to building arenas and curling rinks and so on, which were very badly needed. At this time, those buildings are in need of maintenance and repair and we need new ones in some centres. So there is, I am sure, a growing demand for capital funding as well as the other needs you have outlined for recreation and culture.

Have you talked to other municipal councillors regarding this particular matter? How badly do they feel funds are needed to be allocated to maintenance, repair and building of new developments for growing populations?

Mrs. O'Neill: I can certainly speak for the 11 municipalities that make up the regional municipality of Ottawa-Carleton. Outside the city of Ottawa there are 10 other municipalities, some reasonably large urban centres, but certainly a lot of smaller rural areas that are encompassed in Ottawa-Carleton. It is a physically large region and we take in a lot of very rural communities. Certainly, they all are in need, and not only of building new facilities.

Ottawa-Carleton is the second fastest growing region in North America. As well as having a number of other pressures, we have the added pressure of very rapid growth and certainly that growth demands new facilities. But as I

have indicated, with the city of Ottawa and even with a lot of the rural municipalities in the outlying areas, there is a need for ongoing maintenance and repairs. I think we all recognize that it is not the initial capital cost that ends up to be the expensive part of any project, it is the ongoing maintenance and operation of that facility over the years that eats up the money more than the initial capital investment.

1210

Certainly, with a lot of ageing facilities, some of the smaller rural municipalities have those problems, and we here in the city of Ottawa do because of the age of the city. Some of our newer municipalities need the new funding for the new construction. They are not as yet feeling some of the crunch of extensive renovation, although they do recognize the importance of continually putting money in to upkeep the facility, so that you put off the day when you have to either replace or do major renovations to that facility.

Ms Bryden: I can appreciate what you say. I used to live in Ottawa and I know Lansdowne Park very well and what an important resource it was at one time. Now there are new needs, it is new land that is available for future needs. But if they do not get the funds for some of the developments that might go into it of a recreational-cultural community kind, either the city will have to find more money from somewhere else or the development may even just be turned over to a private developer. Who knows?

Alderman O'Neill: By the way, part of our plan for Lansdowne is to get the private community involved, and we are looking at long-term lease of some of our Bank Street frontage, which is the most valuable property there, as well as air rights over our convention centre to private developers, to help us to fund the building of this facility.

As I indicated, we are contemplating a \$44-million expenditure and with our \$700-million infrastructure needs under the surface, which are not visible to the public eye—certainly the sewers are not; the roads are—having to meet those needs on the one hand, it is very difficult to find these extensive funds to put into recreational and cultural needs, which are often looked on as possibly not as important as the needs of having, obviously, clean water and proper sewage. But they certainly are important, as I indicated, particularly with the ageing population, I feel, in keeping the health of our citizens and eliminating some expensive health costs in the future.

Ms Bryden: Are you aware, though, that under Bill 119, you have absolutely no guarantee that any funds will be available to you for all of these capital and maintenance projects you mention and some expansion of community facilities, because the Treasurer is not required to allocate any particular funds to any particular activities?

Alderman O'Neill: We are aware of that, and that is certainly one of our major concerns.

Ms Bryden: This is really, I think, what these committee hearings are all about: how we can look after those needs without some sort of an allocation. You do not mention any specific amount that you think might cover all those needs, both recreation and culture and the capital. Have you any preference or feeling that if a certain percentage was allocated that—

Alderman O'Neill: We did feel that at least a 33 per cent allocation to recreation and culture would be a minimum percentage.



Ms Bryden: You probably could use more when you get into the capital field.

Alderman O'Neill: You can always use more. The gentleman over here indicated that, and we are certainly aware of that. You can always use as much as is coming your way. But I think the city of Ottawa does recognize that we have pressures on us too in terms of our budget. We recognize the pressures on the provincial government certainly, in particular in hospital care, and nobody is going to suggest that is not a very worthwhile and necessary area to properly fund. We have said we do not object to some funds going to the health care field but we would like at least a third of the money being allocated to recreation and culture. We would not object to 50 per cent.

Ms Bryden: The first deputation this morning, the Ottawa Council on Aging, suggested that its proposals were health care just as much as hospitals, even more so, because they are providing recreation and leisure activities that improve the health of other people.

The only thing is you will have to fund the maintenance and repairs, unless there is some sort of special mention of them, from other sources or you will have to get the people to interpret what recreation and culture cover, to recognize that maintenance, repair and new capital buildings are part of it. I do not think that has ever been clearly defined, how much of lottery funds should go to capital. It certainly went in the early days of the previous Conservative government. A lot of it went to arenas, and I hope there will be funds still available for capital works of a recreational nature.

1210

The Chairman: Thank you, Mrs Bryden. We are already a couple of minutes over, but Mr Callahan had a brief comment or question that I am going to recognize.

Mr Callahan: You as a council member, I am sure, deliberate on your budgets for the ensuing year to set your mill rate. In those budgets have you ever allocated a fixed amount, in other words, guaranteed to one group a specific amount of the tax dollars that you were going to allocate for that fiscal year?

Alderman O'Neill: To a specific group, for example, Arts Court, yes, we have. We have indicated that X number of dollars would be used for capital repairs to Arts Court.

Mr Callahan: Every year?

Alderman O'Neill: No. As I indicated, we do a five-year budget projection. Obviously, in terms of the five years, legally we can only provide money until the end of our term, which of course is a three-year term. The new council coming in can certainly change any of the implications that we have put into our budget. But in terms of a project like Arts Court, we do have a five-year projection of X amount of dollars going to that facility for the next five years.

Mr Callahan: But within the framework of that guarantee for the five years, you have said that by law you are not able to bind a subsequent council. As a matter of practicality, I am sure that if your council in year 2 of that plan discovered that there were far more compelling necessities to spend money on, or if the mill rate had gotten too high or whatever, surely

that would not represent a definitive commitment on the part of your council.

Alderman O'Neill: No, you are definitely right. When we deal with the five-year projection, that is our desire, our intention at the time. But you are quite right, that really when we do our 1989 budget we are committing for the 1989 year, when we do our 1990 budget we are committing for the 1990 year. We do the projections but you are quite right in saying that if something happens during 1990 budget deliberations and changes have occurred during the year, then we can make different recommendations in relation to that money.

I take it you are getting to this percentage point to which I was referring. I guess what you are trying to say is that from year to year you should not be required to give X amount of dollars. But I think a percentage commitment is somewhat different. We are not saying you have to have \$100 million go to it or \$200 million or \$500 million. We are saying that of the amount that you take in, that you are going to divide among recreation, culture, hospitals and whatever else, we would like 33 per cent of that funding as a minimum.

As this gentleman indicated, if it takes in \$500 million and you are only going to allocate \$110 million to hospitals and recreation and culture, then we want whatever million of that that is a percentage, at least 33 per cent of that. When you do your allocation, that is not to say you have to allocate the whole amount, but whatever you are going to allocate within a fiscal year, you should ensure that at least a minimum percentage goes to recreation and culture.

Mr Callahan: You would still agree, finally, that in fact by having a percentage or a fraction of the amount, you limit the flexibility of a Treasurer or of a government to meet needs of a legitimate and competing claim in a subsequent year that were unanticipated at the time the decision was made?

Alderman O'Neill: I think we are leaving him with the flexibility by saying he has the flexibility initially to decide, of the total amount that comes in, what amount of that total amount will go to hospitals, recreation and culture. If he has another pressing need, if \$500 million comes in, he can decide what amount of that \$500 million he is going to spend on this other pressing need.

But when he decides, and maybe he is only going to decide \$2 million is going to go to hospitals and recreation and culture, we at least want our share of that \$2 million. I think the flexibility can be there for him to decide what amount initially. But once he sets aside a particular amount for the use of these lottery funds that does not go into the general pot to be used for whatever, then we would still like a specific percentage of that amount.

That is not to say, certainly, if we ever got to the point—and I do not imagine we will—where there are no more recreation and cultural needs, then I do not think anybody would be foolish enough to suggest we still need 33 per cent of the pot.

Mr Farnan: On a point of clarification, Mr Chairman: I am wondering if—I stand to be corrected, but my interpretation is that all of the funds from lotteries will go into the consolidated general revenue, after which an allocation would be made to culture and recreation and the remainder would be used for, let's say, hospitals. To meet the letter of the law, it is possible



that the government could give \$1,000 to culture and recreation and use everything else for hospitals and meet the way the law is drafted at the moment. I think there is a difference in what you were saying.

Alderman O'Neill: Yes. I am asking definitely for a change in what exists now.

Mr Farnan: It would be a third of the funds going into the consolidated general revenue. All of the money from lotteries, my understanding is, will go into that fund.

Alderman O'Neill: Obviously our preference would be—as I indicated, it was my understanding that all lottery funds were used for recreational and cultural purposes. Certainly then, if you are going to divide it, we would like a percentage of the whole pie. But I have been informed that my understanding was incorrect and, if the government is looking for flexibility, then I am suggesting there is a possibility of being flexible by saying that whatever you are going to use for hospitals and recreation and culture, we definitely want to ensure that there is a set percentage of that that goes to recreation and culture to avoid 90-10 allocation.

The Chairman: I think your presentation and the ensuing discussions have been very helpful. I figure because you are an alderperson here in Ottawa the area is being looked after very well, if you represent your council and I am sure you do.

Alderman O'Neill: Thank you very much. Very kind words. Good luck.

The Chairman: Are there any further comments by any member of the committee before we adjourn until this afternoon?

Mr Reycraft: Is there a room that is being held—

Clerk of the Committee: 703.

Mr Reycraft: 703? I will go up there right now.

The Chairman: Mr Callahan's room is 703, so he is our host.

The other thing I would like to point out is that two or three of you have commented that we are absent a researcher today. Jennifer Wilson, our regular researcher, got stomach flu or she would be here. She sends her apologies.

We are free for lunch; we are not eating lunch as a committee. We are just adjourning until the next presentation, which is slated for two o'clock.

Mr Pelissero: I understand the last presentation at five o'clock has been cancelled.

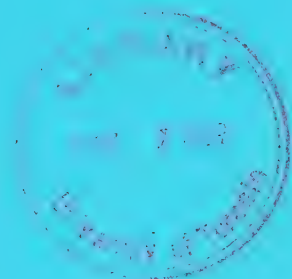
The Chairman: Yes.

Mr Pelissero: So there may be an opportunity, depending on how the presentations go, to see if we could get an earlier flight back to Toronto?

The Chairman: If you want to make those arrangements. I think that will be up to you. Most of us are heading back at seven, I think. We will adjourn then until two o'clock this afternoon.

The committee recessed at 1222.

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STANDING COMMITTEE ON GENERAL GOVERNMENT

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989

LOI DE 1989 MODIFIANT LA LOI SUR LA SOCIÉTÉ DES LOTERIES DE L'ONTARIO

MONDAY 2 OCTOBER 1989

Afternoon Sitting



STANDING COMMITTEE ON GENERAL GOVERNMENT

CHAIRMAN: Elliot, R. Walter (Halton North L)

VICE-CHAIRMAN: Faubert, Frank (Scarborough-Ellesmere L)

Bryden, Marion (Beaches-Woodbine NDP)

Callahan, Robert V. (Brampton South L)

Charlton, Brian A. (Hamilton Mountain NDP)

Cordiano, Joseph (Lawrence L)

Cureatz, Sam L. (Durham East PC)

Fleet, David (High Park-Swansea L)

McLean, Allan K. (Simcoe East PC)

Ruprecht, Tony (Parkdale L)

Sola, John (Mississauga East L)

Substitutions:

Farnan, Michael (Cambridge NDP) for Mr Charlton

Pelissero, Harry E. (Lincoln L) for Mr Cordiano

Reycraft, Douglas R. (Middlesex L) for Mr Ruprecht

Clerk: Carrozza, Franco

Witnesses:

From the Regional Municipality of Ottawa-Carlton et al:

Holmes, Diane, Councillor; Chairman, Advisory Committee on the Arts

Arpin, Pierre, President, Council for the Arts in Ottawa

Watson, Katherine, Director, Le Groupe de la Place Royale

Annis, Susan, Ottawa Arts Centre Foundation; Chairman, Arts Court; Past  
President, Council for the Arts in Ottawa

From the Ottawa Civil Service Recreational Association:

Proudfoot, Jane, Public Relations Officer

Baker, Rich, Director of Parks and Recreation, City of Kanata

From the City of Gloucester:

Coopersmith, Barry, Director, Parks and Recreation

From the City of Nepean:

Kemp, Paul, Director of Recreation

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Monday 2 October 1989

The committee resumed at 1411 in the Frontenac Room, Delta Hotel, Ottawa.

ONTARIO LOTTERY CORPORATION ACT, 1989  
(continued)

LOI DE 1989 MODIFIANT LA LOI SUR LA SOCIÉTÉ DES LOTÉRIES DE L'ONTARIO  
(suite)

Consideration of Bill 119, An Act to amend the Ontario Lottery Corporation Act.

The Chairman: The chair recognizes a quorum.

The regional municipality of Ottawa-Carleton, in the person of Alderman Diane Holmes, the chairman of the advisory committee on the arts; Pierre Arpin, from the Council for the Arts in Ottawa; Katherine Watson, from Le Groupe de la Place Royale, and Susan Annis, from the Ottawa Arts Centre Foundation, Theatre Ballet of Canada, are here to make the first presentation.

I would also like to give some regrets on behalf of the third party. Mr Cureatz indicated this afternoon that we should go on without him if he should not be here by two o'clock.

If this group would like to approach the presentation table and carry on, we would appreciate it. I believe Diane Holmes will be the lead person in this delegation. We have roughly 30 minutes for your presentation and questions and comments by the committee.

Councillor Holmes: I will try to take 15 minutes of that half-hour you have allotted us and the Council for the Arts would like to take some of the other time.

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON ET AL

MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON, ETC.

Councillor Holmes: I would first like to thank you very much for coming to Ottawa-Carleton so that we and all the arts and recreation groups in this region could present to you. We thank you very much for your accommodation.

I have presented you all with a package from the region of Ottawa-Carleton. I speak to you as the chair of the region's advisory committee on the arts, made up of three councillors of three different municipalities and four citizens. At the moment, we are busy writing an arts grants policy followed by a one per cent policy and a policy on art in our public buildings.

That policy is being based on a study that we did in the region that is in your package, a study by a consultant. That has just been completed and brings in specific recommendations to the regional government that we are looking to bring forward. The study shows that we have many strengths in the



region, in particular at the amateur arts, community-based artistic level where we have very active amateur arts groups. But it shows that in fact at the professional level we have a great weakness.

For those people who come to Ottawa, generally they look at us and think we are very well endowed with cultural facilities. Those cultural facilities are national facilities, so you come to Ottawa and you go to the National Gallery of Canada and you go to the national museums and you go to the National Arts Centre. So when you look at Ottawa you think: "We do not have to put any more money into Ottawa-Carleton. They have all those wonderful cultural facilities."

Indeed, they are wonderful cultural facilities, but our local artists cannot have access to them. It is rare to be able to afford or to be on the international level of skill that you can access the National Gallery, the National Arts Centre or any of the museums. So we feel we have been badly neglected for many years. In fact, we are looking to improve our own funding, but we are also looking to improve funding from the provincial level.

The study has shown us that there is a real malaise at the level of our professional class of artists. They are having trouble finding venues to show their work, and it is mainly because we have that national level and the local amateur level but are missing a whole middle range of facilities. If you look in the study you will see, in particular on page 32, that the recommendations are that the senior levels of government, provincial and federal, be petitioned to provide a more equitable funding level to the region.

In the letter I have presented you with, on the second page, we are talking about the other municipalities doing art studies of their own. We, the region, are not moving to take over the responsibility of the municipalities. At the moment, we give out arts grants, and we are looking at a one per cent budget for regional buildings, but it is the 11 municipalities that make up the region which are also looking to provide actual physical facilities. Those municipalities are the ones that are now doing studies and looking for either theatre facilities or arts facilities of one kind or another down the road and that will need access to the provincial funding which comes from these lottery funds.

Just at the bottom of page 2, we have taken three of the last years as an example of the kind of funding we have seen in comparing ourselves to Metropolitan Toronto. The capital grants you see at the bottom of page 2. In 1984-85, that \$1 million we have there has to be reduced to \$723,000 because some of the money allocated was never spent. The \$375,000 was never spent, so in fact it is not as good as two to one in 1984-85. In 1985-86, it is 70 to one when you look at a per capita ratio comparing ourselves to Toronto. In 1986-87, it is eight to one. That is from the capital grants. On the top of the next page, page 3, are the general arts grants. In comparing ourselves to Metropolitan Toronto, the ratio is 13 to one in 1985, 11 to one in 1986 and 12 to one in 1987.

So we consider that to be a problem for ourselves, that we do not seem to be able to have a better per capita ratio than that when we look at the moneys going into the Metro Toronto area.

In speaking to this amendment to this bill we, in particular of all the municipalities, look to this capital funding program as a means of assistance in all our arts-related facilities. When you look at the whole health budget of \$38 billion that is before the province, the \$100 million that is in this

lottery budget is a pretty minor amount when you compare it to the multibillion-dollar budget that is before the province. We are loathe to see that \$100 million cut and sent to other budgets by the provincial government.

In the days when municipalities were starting to look at lotteries seriously and starting to implement them, the province moved in on us and said that the province, not the municipalities, would take over the lottery business but that the lotteries would always be spent on recreation and culture. That is enshrined in the act and that was certainly the agreement at the time and the promise to the municipalities, that those moneys would always be spent on arts, culture and recreation. Therefore, the cities could go ahead and give up their rights to have lotteries and the province would be in the lottery business.

In fact, of course, those moneys over the years have not all been spent on recreation and culture. I know there are many groups coming to you asking for a percentage of those budgets to be granted to recreation and culture. I know there is a strong request for 33 per cent of that lottery budget to go to recreation and culture. Since the original promise has been weakened over the years, my question is, should there be a designated percentage, would that percentage be enshrined in the act and then would it be adhered to over the years?

We really do not feel that arts and culture can compete on a fair and equitable basis with hospitals, with homes for battered women, with all the other health demands that you have before you. Certainly, at the cities, we have been fighting for some time to try to carve out an arts and culture budget that does not have to compete with those very legitimate health claims that are before us all and are extremely difficult to pit, one against the other. That is why we are looking for a specific arts, culture and recreation budget that does not have to compete against those enormous health claims that you have before you.

1420

So I would request the committee to please go up against your Treasurer. Certainly, we at the cities are always up against our treasurers. Treasurers never want designated accounts. They always want one large pot. So those of us who are working on municipal budgets or regional budgets are always trying to fight for pots of money that are allocated, so that the residents of your area have some kind of feeling that there is consistency from year to year, that the sustaining grants we give at the region are sustaining grants, that those professional companies, whether it is dance, whether it is theatre or whether it is other kinds of artistic groups, know that we will sustain them over the years, unless of course their artistic quality fails or they turn into a complete shambles for one reason or another. If they are continuing to conduct themselves on a financially viable basis and good high quality, we try to let them know that there is some viability there and that we will sustain them on a continuing basis.

So we do have budgets at the city and regional level that are understood to be precommitted to all these groups that we try to shelter and protect and give financing for, whether it is recreation, artistic, Meals on Wheels or whatever. So we would request that your committee takes back to the Legislature and to the Treasurer some kind of commitment to arts, culture and recreation around the province, that we have an assurance that there is a budget that is going to be designated and that groups can look to that budget from year to year with some kind of reliability.



M. Arpin : Bonjour, mesdames et messieurs. Je vous parle aujourd'hui en tant que président du Conseil des Arts d'Ottawa. Le Conseil des Arts d'Ottawa est un conseil des arts communautaire, qui représente plus de 120 groupes artistiques professionnels et amateurs de la région.

J'ai invité deux de mes collègues qui représentent deux groupes de la région : M<sup>me</sup> Susan Annis, qui est la présidente de la Fondation du centre des arts d'Ottawa, et M<sup>me</sup> Katherine Watson, qui est la gérante du Groupe de la Place Royale. Excusez-moi : est-ce qu'il y a un problème ?

Earlier this year, a committee was formed in Ottawa to study and respond to the proposed amendments to the Ontario Lottery Corporation Act of 1975. We then sent a letter to Premier Peterson in which we expressed quite clearly some of the reservations we had about the proposed legislation. This letter was signed by 16 representatives of professional arts groups in the region and addressed what we felt were two of the most important issues, namely the disposition of the unspent, accumulated surplus and the future distribution of profits derived from the lotteries in question.

We feel that the government of Ontario has a moral and legal responsibility with regard to the unspent, accumulated surplus. This surplus should be seen as legally dedicated funds which are owed to the culture and recreation sectors. This money is legally ours and we expect the government to live up to its legal obligation.

In the same letter, our committee suggested that one half of the accrued profits from these lotteries be put in an endowment fund of which the Ontario Arts Council would be the beneficiary. This action would help the Ontario Arts Council in achieving its goal of increased funding as outlined in its five-year strategic plan submitted to the government of Ontario in March 1988.

Another troublesome aspect of Bill 119 concerns the future of unappropriated funds. According to the proposed legislation, all unappropriated profits paid into the consolidated revenue fund and not so appropriated in the fiscal year shall be applied to the operation of hospitals.

Etant donné le fait que les profits des loteries ne furent déboursés pleinement que deux fois depuis 1975, nous serions portés à croire que dans le futur, ces profits se seront pas alloués régulièrement. Donc, nous pourrions voir ces argents se retrouver, effectivement, dans les hôpitaux ontariens.

If you are putting us on an equal footing with hospitals for funding, you are not recognizing the importance of culture and recreation to our society's physical and spiritual wellbeing. We would therefore urge you to amend Bill 119 to ensure that at least 75 per cent of future profits from the traditional lotteries are specifically and annually committed to the ministries responsible for culture, sports, recreation and fitness.

The Chairman: Further comment by the presenters before I open it for questions?

Mr Arpin: Yes. Katherine Watson from Le Groupe de la Place Royale.

Ms Watson: I would like to add to my colleague's thanks for having the opportunity to present to the committee today. I address as a representative of a professional arts organization in Ottawa, Le Groupe de la Place Royale. Although we are based in Ottawa by our nature, as a development organization we do serve the dance community across Canada and Ontario.

Le Groupe approaches 25 years of success in an industry where survival is difficult. Given this history, I feel somewhat confident in speaking with some perspective to the bleak picture presented by the proposed amendments to Bill 119.

The injection of the proceeds from lottery funds into the cultural sector beginning in the mid-1970s was a tremendous shot in the arm. These additional funds ensured the establishment of worthy, needed and specialized programs distinct from and yet complementary to those administered by the Ontario Arts Council, programs that upgraded management skills, showcased Ontario's best overseas, increased employment opportunities and upgraded facilities and equipment.

In a sector that is lower paid and where artists give much of themselves in support of their work, every dollar was well spent. These programs have had a strong and positive effect on the growth and development of the arts in Ontario.

The government now proposes to change the dedication of these funds. This to me means one of two things. Either the government feels that these programs were merely initiatives, have served their purposes and do not require guaranteed support or Ontario has an overflowing well of dollars to designate in place of lottery funds.

The latter I doubt or it would not be necessary to look to lottery funds for hospitals and social services and the former would be denied by every board member, manager and artist.

Our industry is in need of nurturing and continued support. It is critical to ensure the survival of these programs and by extension the survival of the arts organizations now and to encourage future growth. The industry is growing and has proven economic benefits to Ontario.

Artists fuel the social conscience of our society. How can we stand in future beside hospitals and social services and ask for the same dollar? It is incumbent on governments to guarantee a percentage of that dollar to the arts.

We are asking that this amendment be seriously reconsidered to ensure that 75 per cent of the lottery proceeds be designated to the ministries responsible for culture, sports, recreation and fitness and that approximately half of the accumulated unspent funds be placed in a trust fund with the OAC as beneficiary.

This proposed amendment takes us from a law that guaranteed funds to the cultural sector to one that makes no guarantees and gives carte blanche to the government to distribute funds. Hospitals and the social sector will always have a greater need.

This sounds a death knell to many existing arts organizations and certainly makes no consideration for future ones.

Ms Annis: I, too, appreciate the opportunity to speak to you today. I speak on behalf of—

The Chairman: Can I interject for just a second, we do not have to do anything with the mikes. The gentleman back in the lefthand corner here looks after us completely. If you push things, it messes things up.



Ms Annis: Just put a button in front of me and I will press it. I learned that from my children.

The Chairman: You are liable to electrify the man in the corner.

Ms Annis: I would like to keep you current but I do not want to electrify you.

Mr Callahan: You are liable—

Ms Annis: I get a charge out of it.

The Chairman: You only have half an hour.

1430

Ms Annis: We have a battery of comments here. I will stop now.

I speak to you on behalf of the Ottawa Arts Centre Foundation, as chairman of Arts Court and as past president of the Council for the Arts in Ottawa. I, too, wish to strongly protest the enactment of Bill 119. We oppose both provisions of the bill.

First, I will deal with section 2, which would retroactively open up lottery payments to hospitals. Is the government making a new law to correct its lack of observance of a previous law? Bill 119 would certainly appear to be no more and no less than that.

The Ontario Lottery Corporation Act in 1975 clearly dedicated all profits from interprovincial lotteries to culture, recreation, sports and fitness. There was good reason for this legislation. Clearly, the culture, recreation, sports and fitness sector, in so far as it encourages, nourishes and assures the physical and mental and spiritual wellbeing of the citizens of this province, is deserving of government support, and in so far as this sector is an important economic sector and labour intensive, it is also deserving of government support.

In both quality of life and economic terms, it is essential and integral to our society. The government recognized that in 1975 and accordingly dedicated a significant amount of money to ensure that this sector exist and serve the citizens of Ontario in a satisfactory and successful way. Notwithstanding specific legislation since 1975, only twice have the profits from the lotteries been fully distributed.

Although the culture and recreation, sports and fitness sector has grown dramatically during that period, indicative of the need and desire for the presence and activity of these elements of our society, in the cultural sector at least, the one which I know best, it has been in an atmosphere of uncertain and insufficient funding.

. The government of Ontario has not respected the spirit and intent of the Ontario Lottery Corporation Act and now retrospectively is attempting to legitimize or cover up its disregard of its own legislation. One cannot help but feel very cynical of the political process at work here.

With reference to section 1, we would agree that if hospitals need more funding, they should get it, but not at the expense of the culture, recreation and fitness sector. It is unfair to put our funding demands up against those

of hospitals. The need for more dollars for the health care system seems to be ever growing and would surely soon eat up lottery profits and still be looking for more.

Finding a way to deal with this is certainly a challenge but we would submit that sacrificing support of culture and recreation to that end is in fact the very thing not to do. I have heard a health policy analyst argue eloquently that we would have to spend less on our hospitals and health care system if we, in fact, invested more in the areas of culture and recreation as a means of preventive care, as a means of maintaining our mental and physical wellbeing.

The opening up of profits from the lottery funds for the Ontario Trillium Foundation poses the same problems for our sector. Social services place a heavy and ever growing, indeed insatiable, demand on the government Treasury.

Furthermore, there is every indication that participation in culture and recreational activities will continue to increase as levels of education and incomes rise and more leisure time is available. The government's own arm's-length agency, the Ontario Arts Council, states in its five-year plan that it will seek increased funding of \$26 million over that period to meet the demand that it foresees in the cultural sector. This is as good an indicator as the government of Ontario will have of the need and growth of the cultural sector. I am sure others will speak to the areas of recreation and sports.

Support of the culture, recreation, fitness and sports sector must be ensured and protected. The government must recognize the far-reaching and long-term benefits of this sector to the wellbeing of our society. I would reiterate what you have already read in the letter and what others have mentioned to you today: we ask you to consider the establishment of an endowment fund of \$200 million, citing the Ontario Arts Council as the beneficiary of the principal and annual interest. We ask that you amend Bill 119 with a guaranteed percentage of annual profits from the traditional lotteries of at least 75 per cent to the ministries responsible for culture, sports, fitness and recreation.

The Chairman: Thank you very much for that excellent coverage. We have a number of people on my list for questions.

Mr Callahan: I am intrigued with your comment that these moneys in the past have been—I cannot remember the words you used but they were very strong words—have been dedicated. That seems to be the view of a lot of the groups that have come before us. I am not sure if, in arriving at that conclusion, you looked at section 6 of the existing act. If you looked at it, you would see that the wording there—

Mr Sola: Section 9.

Mr Callahan: Section 9, I am sorry. I do not have the act before me, but basically it was worded to say that all of the funds from Wintario, when that was set up, went into the consolidated revenue fund, which is the place where all funds for operating government go and then they are allocated to and appropriated by the various ministries. All the act said was "to be available." It did not say anything about dedication or that these moneys would be paid out.



In essence, if we were to withdraw Bill 119 and you were left with that, you would have no more dedication than you are presently seeking. All that happens with the amendment is—and this is given to us not by my interpretation, but that of our research person, who has served the entire committee. There is no partisanship in her views. She simply says that by the present act, as it is presently proposed, subject to any amendments that might take place, all it does is give first priority to sports, culture and recreation, and the Trillium Foundation. The Trillium Foundation is really just a statute clearing up of a decision that was made informally to get the charitable lotteries out of the business. Finally, at the end of the fiscal year, if there is anything left over, that goes to hospitals.

The opposition would no doubt say—and I suppose you people may even in good conscience believe this, too—that a Treasurer who is machiavellian and who I suppose wanted to get blasted out of his seat in the Legislature, along with his government, could commit \$1 to the arts, culture and recreation and put all the rest of the money in hospitals. I am sure that will be suggested and has been suggested by the opposition this morning. Clearly, you as politicians understand that your actions are finally accountable in the ballot box. If you do something like that, you deserve to have yourself turfed right out of office.

If you look at the track record since 1985, and I am not sure whether you are aware of the figures, it has been pretty good. We all make human judgements and values on the basis of track records. They certainly did better than before 1985. That is how that notional surplus got built up by the former government.

As I said this morning to one group, I am not sure why we ever aroused the sleeping tiger. I think we did it out of a feeling that we wanted to be upfront with what was going on with those moneys, because as the law presently exists, if the government of the day, and it did it, chose to use those moneys, the supposed dedicated funds, it could use them for roads, it could use them for any number of things; Suncor shares, jets, Minaki, all sort of things.

Mr. Reycraft: Members' salaries.

Mr. Callahan: What our government is doing is saying there are two categories that are of priority: sports, culture and recreation, and the Trillium Foundation. Only what is left over at the end of the day is available for hospitals. I think it is important that groups understand that.

Finally, you people have not asked for a dedication of a third—I do not think you did anyway—did you? Okay. Let me ask you this question, assuming that was accepted, I would want to know whether or not you have thought out how that money, that third, would be divvied up among the various areas of this province. I note in your brief you have drawn to our attention the fact that Metropolitan Toronto has received seven times the amount of funding in 1986-87 that Ottawa-Carleton did per capita. I think it is important that if that is to take place, I would certainly be interested in knowing how you would suggest it be divvied up. Would it be divvied up on the basis of population, would it be divvied up at the whim of the government in terms of where it felt it needed votes? Those are important issues because you will be subject to other governments, perhaps in 42 years—no, no, sorry—

The Chairman: Mr. Callahan, your comment is going over five minutes.

Mr Callahan: I am sorry. You will be subject to other governments in the future. I do not know whether you can give us an answer now. If you cannot, maybe you would be good enough to send a written answer to the clerk, so we can weigh that answer.

Ms Annis: I think your point is well taken. We use this word "illegal" and I believe it probably is incorrect, if you look at the original legislation. I think I would argue that it was the spirit and intent of that legislation, if not the letter.

Mr Callahan: You were certainly misled to believe that by the tickets that were issued and the statements that were made by the ministers of the day; I will go that far. But, in fact, there was no dedication in law.

Ms Annis: No, I will grant that. I guess my case would rest on the spirit and intent of the legislation and probably, further to what Alderman Holmes said, the municipalities having that understanding when that took place.

Councillor Holmes: My understanding is that last year about a fifth of the money from the lotteries went into arts, culture and recreation. Am I incorrect here?

Mr Callahan: I think it was in that neighbourhood. It ranged from about 34 to 44 per cent of it across the board. But there was an increase of 9.6 per cent each year, which was certainly well above inflation.

Councillor Holmes: But for those municipalities that felt that the spirit at the time was going to designate all of those moneys to arts, culture and recreation, and for those of us municipalities which have a needs list, that is quite severe. We cannot have access to those funds that we thought were going into arts, culture and recreation. It has been very disappointing that in fact a fifth have gone in and four fifths have gone into who knows where. I would hope that we will see at least clear legislation for letting the public know what the total budget is each year and where those moneys go each year from that total lotteries budget. It goes into different budgets across the ministries and the public is not clear.

If you want to fund hospitals, you should set up a hospital lottery and then everybody would know when they buy those lottery tickets that is for a hospital. It would be clear and upfront and the public around this province would understand what they are buying. At the moment the public thinks they are buying lottery tickets that go into arts, culture and recreation. I think it behooves the province to be upfront with its residents and let them know what the moneys are going for.

As for the designation of the funds and whether they go to Toronto or North Bay or wherever, I think that is another fight for another time. At the moment what we want to see is that the total global budget remain at least large enough for us to have some request on it, for us to have some ability to come to you for funds. Every other municipality in this province knows that Toronto gobbles up most of it. We are having those discussions continually, Mr Faubert.

In fact, that is going to be a continuing discussion over many years, no doubt. But at the moment we are requesting that the global funds not be drastically reduced and, in fact, that we get the funds that we thought we



were always going to get.

The Chairman: I am going to recognize Mr Farnan next, as I said, and Mr Faubert is the third one on my list.

Our next group of presenters cancelled, so even though we got a late start, I am going to go over time a bit, unless the committee objects, because I think there are five people on my list altogether. The other presenters are here, but they were not expecting to present until 3 o'clock, I do not think. So we will not go any further than that and we will not go until 3 o'clock if the committee acts the way it usually does.

Mr Farnan: As a New Democrat on this committee, having listened for several weeks now and having attempted to be nonpartisan in approaching this issue, I just want to say to you that I have listened to all of the delegations and there is an extraordinary similarity in terms of the delegations. No one on the committee who is a government member has ever uttered a statement yet which says, "I can understand why you want the guarantee."

I think there is an element of trust and there is this idea of wanting a commitment from the government. I think that element of trust and commitment stems from what I believe is an offer of partnership.

What I have heard are people from the arts, from culture, from sports, recreation, fitness come forward and say, "We want to co-operate to provide a quality of life, a healthier lifestyle; perhaps in the process to alleviate the pressures on the health care system into the bargain." So there is this extraordinary number of groups. Even when you say 80 groups, it does not really reflect the enormity of this contribution to our society.

Because when you look at groups like the hockey federation, we have associations—You look at these groups representing hundreds of thousands of cultures and referees, organizers and conveners. So out there in Ontario, the message that is coming through to me, very very clearly, I say that, I think, on behalf of my colleague as well, is that we have a lot of volunteers who want to improve the quality of life in our society. You are feeling a little bit edgy because you feel the funding may be withdrawn from you if you are put in competition with hospitals.

So, the only way you can renew a trust, I believe, is to make a new covenant, a new agreement and say, "Okay, if there was misunderstanding in the past—" I think that is what the government is saying. The government is saying, "Look, although the people thought the money was going to sports, culture, recreation etc. It really was not." The way it was worded, the government claimed it meant that the government could use those funds. But I think what is being asked now is, let's have a new covenant. Let's have a new agreement so that we understand the rules of the ball game. I think you are being very generous, although not the most generous of the groups that have appeared before us. Most of them were talking in terms of a minimum of 35 per cent. If I heard you right, you were talking about 75 per cent. But nevertheless, the principle is the same. The principle of a commitment.

I have one question I would like to ask the group and it is an issue that has come up on several occasions. I think I picked it up in the first presenter's statement today—maybe I did not, but you can tell me if I am right or wrong—and that is the idea of a farm system. That is probably appropriate in terms of the Toronto Blue Jays winning the pennant. I think a

good organization has a strong farm system.

Is there something that you are saying to the committee that if you are going to be represented well at the national level, you must have programs at the regional level, at the municipal level, which must be well funded. You cannot expect the quality either in terms of audience appreciation or participation by actors and musicians or sportsman unless you fund the system from the grass roots up. I do not know if I picked that up in your statement or not.

Councillor Holmes: That holds true for Ottawa-Carleton and it also holds true, surely, for every city in this province. I mean, one of our objectives in our arts policy is to have local artists reach a pinnacle of national prominence or skill that can be exhibited on a national level. But in order to do that, you do need to provide both the facilities and the training program and all the arts programming that is needed for an individual to move up into that kind of national range. That is certainly one of our objectives here at the Regional Municipality of Ottawa-Carleton.

Mr Farnan: And that would be the way to go, I think, for the province as well. Thank you.

Mr Faubert: I would like to say hello. I guess we knew each other back in the days of Federation of Canadian Municipalities and AMO and all of their activity. Colleagues, I like to think of it in those terms.

One of the issues that all of you, as presenters put forward is the—and it was touched on by Mr Callahan; he was debating on the historical aspect of this, and that was the fact that you would be thrown in competition with hospital funding. But that certainly is not the intent of the bill. And it is not just my analysis of the bill but as our own research, indeed, the legislative counsel, has put forward the opinion that there is clearly a prioritization put forward in Bill 119. That is the way the bill is understood by the government and obviously by the Treasurer.

I know that is not the public perception that is out there but the bill, as it is interpreted, is clearly that there is a prioritization and that is and if I quote—because in the past, we have had a report on this and it says that there is a prioritization in the sense that the net profits are initially available for purposes 9(a) and (b). Section 9(a) within section 1 of the bill, is for physical fitness, sports, recreation, cultural activities and facilities in there too. Section 9(b), within that, is the Ontario Trillium Foundation. The part which relates to the hospitals, is clearly laid out in the bill and says, and I am sure you will appreciate it, that any call on lottery funds by hospitals will only come at the end of the fiscal year, if indeed there is any surplus beyond the original call, and on that basis.

That is clearly the intent of the bill as it is put forward. It is not a competition. You are not going in there in terms of cabinet competition for that lottery pot in that sense, nor are you competing with hospitals for funding. I just wanted to make that point.

1450

The Chairman: I think Mr Arpin would like to react to your comment.

Mr Arpin: Yes. The legislation, as it is worded, now states that all moneys unaccounted for, "not so appropriated in the fiscal year shall be



applied to...for the operation of hospitals." That has been the problem in the past. These surpluses have not been distributed yearly and you have, and the figure seems to vary, between \$300 million and \$400 million that has been floating around in unallocated lottery funds. This is what worries us. We would like to make sure that this type of amount will not happen in the future, where all of a sudden you see another \$300 million or \$400 million automatically going to hospitals.

Mr Faubert: If it is any consolation, I think what this bill has brought forward are many presentations such as yours that have argued very strongly on behalf of additional funding and the consumption of those lottery profits for art, culture and recreation. I think, as I say, you can take some consolation from that, that the case is being made very strongly and I am sure that case will get back to the government.

Councillor Holmes: Could I make a comment on that?

The Chairman: Yes, you may.

Councillor Holmes: I guess I am much more cynical. I do not think there is \$300 million or \$400 million sitting there. I think it has gone years ago. There is no money. Am I correct?

The Chairman: You are right. It is a notional surplus.

Councillor Holmes: There is no surplus. There is no money. It has gone on roads or whatever over the years. So there is no money to put towards a capital endowment fund that the interest would come from.

Mr Faubert: That is right.

Councillor Holmes: So if one-fifth of last year's budget went to arts, recreation and culture and yet it said in the legislation that it was to be designated to arts, culture and recreation, what will happen next year when there are three designation buckets?

The Chairman: I think as chair I should make a clarification here. With the one-fifth, you are talking about one fifth of the lottery revenue. In actual fact, the amount allocated in other programs from the tax base brings that total up to in excess of \$400 million. There are people who have argued that we are meeting 84 or 85 per cent of the commitment of the \$500 million in the lottery section.

If I could speak for a moment on his behalf, I have had some very intensive discussions with our Treasurer (Mr R. F. Nixon) about why are we bothering. Why not just throw it into the consolidated fund? It is that very kind of gerrymandering--like changing of programs from the tax base to the lottery base just to accept what I think is an artificial criterion. The reality of it is that all the programs, when you take them into consideration, this year are up in excess of \$400 million.

It is correct to say that approximately a fifth of the lottery revenue has gone for the designated purposes. By the criterion, that means they have got to be extra, one-time, seed-type-money grants, but there are a lot of other programs out there that are being funded.

Councillor Holmes: Are you saying those programs may discontinue?

The Chairman: No.

Councillor Holmes: No. But today we are talking lottery legislation, I thought.

The Chairman: Exactly. That is what I was trying to clarify. There are those of us who have been involved in the arts for a large number of years, people like Mr Faubert, for example, who was on the task force on the arts when Scarborough came to grips with its problem, and I was in Oakville in the same kind of capacity. We are all very committed to seeing not only the base funding that is there retained but we want it enhanced because we know there is not enough money for various reasons.

What we are trying to do, and I think some of the other people have made this point very clearly—we are all in government for the same reason. There are those of us who prefer to have everything on the table and say: "Here is what is happening right across the board. Here is how the money has gone." It is far better to say that than to have what we call in politics weasel words, "to be made available", and it is never made available, that kind of thing. What we would really like to see from this committee is a lot of clarification in the whole process.

I think I should recognize Ms Bryden because I really took a bit of her time there.

Ms Bryden: I appreciate your group coming to us to point out to us that the Ottawa-Carleton region is not like other regions in that you are overshadowed by the national cultural and arts facilities. In fact, I had the pleasure of visiting two of your greatest ones, the National Museum of Civilization and the National Gallery of Canada on the weekend. But I also visited one of your local theatre groups that has been going for 10 years and is still desperately in need of money. I refer to the Great Canadian Theatre Company which produced an extremely fine one-person monologue play by Joan Orenstein on Saturday night called La Sagouine. It was really a superb production.

The fact that after 10 years they are looking for money to expand the size of their theatre so that they will have a larger audience—I may say there was not a seat empty on Saturday night—and to pay off deficits that have accumulated in spite of the high quality of their productions indicates that there is a special need in the Ottawa-Carleton area, I think, for assistance to local and regional arts and cultural facilities.

I agree with your point that it is very difficult for arts and culture and dance to compete with hospital deficits, seniors' centres, battered wives' centres, etc, in fighting for budgetary support. That is another reason for an earmarked fund for arts and culture, particularly in this area.

In municipal budgets, you face the same competition for other dollars and it is the same thing: Arts and culture do not rank as high as new sewers and things of that sort. But at least you said that there is in many municipal budgets a sort of commitment to spend the same amount or a similar amount every year. We have not got that in this legislation. There is no commitment to maintain any sort of priorities.

Even if the provincial Treasurer may say that certain priorities such as fitness and sports programs have been receiving money, there may be prioritization but there is no guarantee. Is that your understanding of the situation?



Councillor Holmes: That is our understanding. That is correct and certainly at the regional level we have a per capita grant system that we increase every year, although it is a fight with the sewers and whatever all those other necessities are. None the less, we have increased that per capital grant annually.

Ms Bryden: For that reason, I think we should be looking at some sort of earmarking, if you want to use that term. Generally, I do not support earmarked taxes, but I think in a case like this, because of the disadvantages of competing for causes like arts, culture, sports and recreation, we should be considering some sort of designation of a percentage of the funds that are generated by lotteries. That is the only fair way to do it, to make sure that is monitored and actually goes to those groups. Would you agree that there should be a monitoring process too in some attempt to balance the applications?

Ms Holmes: I have no quarrels with the way the money is disbursed now, apart from our global budget versus Toronto's. As for the method and the way that the Ontario Arts Council and the ministries work, I do not want to get into how that is designated and quarrel with that now.

The Chairman: I think Susan wanted to comment too.

Ms Annis: Not on that actual point, so you can finish, Diane.

Ms Holmes: No, that is fine.

Mr Arpin: Do you mean moneys specifically from the proceeds from lotteries or the whole provincial budget?

Ms Bryden: No. The proceeds from the lotteries should have certain designated amounts for sports and recreation, the original lottery needs, and for things we have been talking about today as additional needs, and particularly Ottawa-Carleton's special needs.

1500

Ms Annis: I just wanted to support again the idea of earmarking a certain percentage. In reply to the previous speaker, Mr Faubert was assuring us it was the spirit and intent of the legislation, of course, that hospitals—but we have been living with this idea of spirit and intent for a few years now and have been pretty disillusioned by it, so I think earmarking is probably the best way to go at it.

The Chairman: Mrs Bryden, if I may, I would like to thank you and let Mr Reycraft have a couple of minutes because that is all we have left until three o'clock.

Mr Reycraft: I will try to be quick, but there are a couple different questions I would like to ask. Councillor Holmes, in responding to Mrs Bryden, you talked about the per capita grants that you allocate. Are those allocated by the regional council?

Councillor Holmes: That is correct.

Mr Reycraft: There is an expectation, I gather from what you said, on the part of the benefactors of those grants that they will be continued from year to year.

Councillor Holmes: If they are in a sustaining operating grant category. That includes the Great Canadian Theatre Company and our ballet company, so the large professional companies have an expectation that unless they change their modus operandi, if they continue producing a good quality piece of art, yes.

Mr Reycraft: But is it not true that the regional council could, if it decided to in any given year, reduce those per capita allocations?

Councillor Holmes: That is true, but they never have.

Mr Reycraft: Is it also true that those agreements are not binding at all on future councils?

Councillor Holmes: That is true, but it has not been the case.

Mr Reycraft: So the groups do have to go back from year to year to sell themselves again to the council.

Councillor Holmes: Absolutely.

Mr Reycraft: I was interested in your suggestion about a separate lottery for hospitals. The province announced earlier in the year in its budget that it was going to establish a new lottery for environmental cleanup projects, and it is going to be called Cleantario. Assuming that all the profits from that were to be designated to those funds, would you object to that kind of competition in the lottery business?

Councillor Holmes: No, I would not. Are those going to be designated funds to an environmental cleanup?

Mr Reycraft: That is what was indicated in the budget, yes.

Councillor Holmes: My question is then, why can we not have these designated as arts, culture and recreation?

Mr Reycraft: Are you not concerned—

The Chairman: This is the final question.

Mr Reycraft: Okay. Are you not concerned that if new lotteries are introduced and their profits are designated to specific areas or projects, ultimately that will lead to a drain on the existing lotteries and therefore any guarantee or dedication that was given to you with respect to existing lotteries might turn out to be not as profitable as it now appears?

Councillor Holmes: That certainly would be a concern, but if instead of getting one fifth of the lottery moneys, all five fifths of those lottery moneys were to go towards arts, culture and recreation and a new lottery were to come on stream dedicated for something else, I think, for the residents of the province, that would be much clearer. They would know exactly what was happening. I think if it were only those two lotteries, we would not lose if we got a four-fifths increase from the one fifth we have seen.

The Chairman: I would like to take this opportunity to thank the presenters very much. I think the arts are in very capable hands in the Ottawa region if this representation is anything like the other group of people who are out there worrying about the arts. Thank you very much. It was a very



interesting proposal.

Councillor Holmes: Thank you for coming to town.

The Chairman: Our second presenters this afternoon are here on behalf of the Ottawa Civil Service Recreation Association. Jane Proudfoot and Rick Baker will be making the presentation, if my information is correct. I cannot allow you the same privilege unless the next group had cancelled, and it has not cancelled, so I have to hold you to the 30 minutes.

Mr Baker: I do not see them here.

Ms Proudfoot: That is fine.

1500

#### OTTAWA CIVIL SERVICE RECREATION ASSOCIATION

Ms Proudfoot: I appreciate the opportunity to speak to you today. My name is Jane Proudfoot. I am the public relations officer for the Ottawa Civil Service Recreation Association. I am here today representing the general manager, Gratton Sheely. As you people flew into Ottawa, he was flying to Toronto, so he is in Toronto for the next few days and could not be with us.

Mr Sheely represents the Ottawa Civil Service Recreation Association on the Ottawa-Carleton regional recreation resources group. Joining me today from this group is Rick Baker, director of parks and recreation for the city of Kanata. Barry Coopersmith, director of recreation and parks for the city of Gloucester, who will speak to you at 4 pm today, is also part of this group.

The Ottawa-Carleton recreation association, more commonly known in Ottawa as the RA centre, provides recreation, leisure and lifestyle opportunities to well over 40,000 residents of the Ottawa-Carleton region. As a members' association directed by a volunteer board of directors and operated primarily by volunteers, the RA is fully aware of the impact of Bill 119 in the region's ability to deliver programs and services, let alone to deliver new services dealing with the role our industry can provide in the development of wellness programs. I would like at this time to read a text prepared by Mr Sheely regarding the wellness opportunities provided by the recreational delivery system.

As most people do not give much thought to their health until their health fails, illness, not health, is the real attention grabber. Of course, by the time illness strikes, prevention is the best point. We take health for granted as the most natural state in the world. Then when we get sick we run for treatment which, if successful, strongly reinforces our belief that medical care is the most important factor determining our health. By the same token, when treatment fails or is unavailable, we tend to think the answer lies in more research to find cures.

Alan Backley, a former Deputy Minister of Health of Ontario, sums it up, "We scream around the fast track of life with carefree abandon until suddenly something goes wrong and we pull into the nearest pit stop and expect a quick fix will be able to patch us up so we can get back in the race."

The way we allocate our health dollars reflects these attitudes. Fear of disease, along with the mistaken idea that health care is totally responsible for our wellbeing, has fuelled the development of a hugely expensive sickness

treatment system. When contrasted with the high public profile of curative medicine, prevention seems very low-key and undramatic. That is why when it comes to funding, prevention programs such as those offered by the leisure service delivery system lose out to those for sickness treatment time after time. Medical research is a good example. Most resources are spent looking for cures in the laboratory. This emphasis on germs and genes makes it unlikely that medicine will be able to shed much light on the true underlying causes of illness: the social and environmental contexts in which disease flourishes.

In saying this, we are not dismissing the importance of treatment. We are simply arguing that more emphasis on prevention and active lifestyle could prevent the need for treatment in the first place. One thing is clear: It is better to stay healthy than to depend on a limited ability of modern medicine to treat illness. The old adage that an ounce of prevention is worth a pound of cure makes more than just good economic sense; it is common sense as well. Unfortunately, for every dollar we spend treating illness, less than a nickel goes towards health promotion and disease prevention. The enormous opportunity to promote health through recreational activities is scarcely recognized.

This skewing towards treatment and cure and away from prevention only succeeds in leading us farther and farther away from the real solution to illness. It is not the miracle of modern medicine that will extend life; rather, life extension lies in well-known lifestyle principles, including exercising regularly. Though unspectacular and perhaps lacking the mystique of the magic pill, the power of lifestyle is the best medicine for a long and productive life.

The Centres for Disease Control in the United States have determined that lifestyle accounts for 50 per cent of the influence on an individual's chance to survive to the age of 65. The medical care system accounts for 10 per cent. Environment and heredity account for the rest.

#### 1510

Yet our society is fixated on a discipline based on illness and disease rather than on prevention, and an inordinate amount of resources is spent after the damage has been done. Though medicine has its defined place in the continuum of care, there needs to be a realization that prevention is the best strategy for postponing the onset of chronic disease and the other ageing processes until much later in life. Leisure services empower people to be more active, more productive and less dependent on the medical care system. People who overlook lifestyles as a significant life extender are far more likely in their later years to depend on the medical care system and to have their quality of life severely affected.

The rationale for Bill 119 seems to be that adequate resources exist to fund recreational needs while inadequate resources exist to fund the health care system. Prevention of disease is an important part of the quality of life continuum. If adequate resources are made available at the front end, the pressure on the health care system can be reduced.

Much of the material that was presented in this written document today comes from two books which Mr Sheely would like to have recognized: ??Taking Care of Today and Tomorrow and Second Opinion.

At this time I would like to turn the microphone over to my colleague Mr Baker from the city of Kanata.



Mr Baker: First, I want to thank you for the opportunity to speak to you today. I am speaking basically on two avenues: First, I am an employee of the city of Kanata of which I am the present parks and recreation director; second, I feel I have had 10 very long and arduous years as an employee with the ministries of Culture and Recreation and formerly Tourism and Recreation. So I believe I know what I am talking about in terms of the appropriation of lottery dollars and I feel I can offer you gentlemen an awful lot in terms of the overall history and appropriation of these funds.

First, I would like to talk a little bit about the RRRG, which Jane alluded to originally. The RRRG, commonly known as the Regional Recreation Resources Group, is an organization made up of 11 municipalities in the Ottawa-Carleton region plus the major recreation facilities and/or agencies in our area. We are senior directors who meet regularly, probably four to five times a year, and address very particular issues, one of which is on our plate today. As well, we spend an awful lot of time in the enhancement and growth of our profession and also try to encourage development among our peers throughout the Ottawa-Carleton region, eastern Ontario and the rest of Ontario.

In terms of my position as director of parks and recreation in Kanata, again I have experienced both sides of the coin: first, in the last 10 years of being the hander-out of the lottery funds and now, in the past couple of years of being the recipient of some hard-worked dollars. We really appreciate the value that these dollars provide us in the development of our facilities in our city.

For those of you that do not know, the city of Kanata is and has been recognized as one of the fastest-growing municipalities in Canada per capita wise. I think it makes a strong point in terms of the demands that are being brought on my table from other parts of our province and also the rest of our country. As people move to Kanata, they are bringing with them demands and requirements for enhanced programs, for large and any type of recreation or cultural facility.

To complement this particular demand, we have gone through a number of very important studies in the last couple of years in terms of upgrading our parks and recreation master plan. As well, we have addressed the whole culture and arts community. I emphasize these particular studies because Ontario was a partner in terms of development of these plans, and certainly without its assistance we would not be in the position we are in today to move forward to provide these programs and also the facilities that we so much need.

It becomes very distressing to me, obviously, from the years of experience I had working for the province, to hear that all of a sudden they are thinking of diverting funds into other ministries when at the present time there are not enough funds being channelled out into our communities to meet probably the fastest-growing requirement in terms of leisure lifestyle and wellbeing.

Time and time again, I have heard members of Parliament say, "Well, we have a commitment in terms of keeping those dollars available." But on the same hand, there have never been the dollars to meet the demands. I can assure you in the years of experience I had with the number of demands in my past position and trying to meet those demands, at the minimum we used to meet maybe one in 20 particular requests. I think the demand is out there. All of a sudden, if I hear funds are starting to be diverted, that one in 20 is going to become one in 100.

I think it is also important to acknowledge the fact that all of the funds traditionally are allocated or the common sense is that they are going into recreation facilities. Certainly, we can attest in Ontario that there are some 67 to 70 sports governing bodies that are solely funded by lottery funds. There are also a great proportion of all the staff in the ministry whose salaries are paid in one way through lottery funds.

I challenge you that if these funds are taken away or diverted, there are going to be a few people unemployed and there are probably going to be an awful lot of programs that are going to go down the tubes.

In respect to eastern Ontario, we are and probably will become and remain for many years one of the fastest-growing communities in the province. Traditionally, until about five years ago, eastern Ontario was looked on as sort of the sore point in Ontario not receiving the recognition that it is due.

Certainly, eastern Ontario has become a leader in terms of the dynamic types of programs and facilities that it is now bringing on board. We can only look next door to the city of Gloucester and also in the city of Kanata to two of the largest municipal indoor leisure wave pools not only in Ontario but also in Canada. These facilities are providing a multitude of experiences for people, upwards of 400 to 500 persons at a time. You can see the philosophy and the thrust is to try to encompass activities for everybody and not just individuals and also the élite.

I do leave you with a few words of caution. First, I think it is very admirable that the province has taken the time to go around and meet with us, to hear from us. The second point is please listen to our plea, please do not divert these funds because they are very much needed. Let's continue that thread of what MPP Mike Farnan is saying in terms of a partnership with the municipalities in the province.

We are very keen to work with you. We trust and hope that you are very keen to work with us.

The Chairman: Thank you very much. Mr Sola and then Mrs Bryden.

Mr Sola: This is left over from the last one.

The Chairman: You were on the list before and I did not get to you. I am sorry.

Mr Sola: Thank you for your presentation. I would just like to get some more insight from your experience as a civil servant. At that time, did you understand that all the lottery money was supposed to go to culture and recreation or did you either realize or did you accept the fact that it was being proportioned as the Treasurer saw fit?

Mr Baker: Certainly, the impression was made to believe, as per past dictums through the province, that moneys were supposed to be appropriated to the development of culture and recreation in our province. Certainly as a civil servant, I knew that was not happening all the time. You just have to look around in terms of the other particular venues and those moneys. Traditionally the base dollars were used to pay the salaries of employees and, all of a sudden, lottery dollars became involved. I think it is no big secret. You just have to look in depth at that.

Mr Sola: I think that is the first time we have heard that lottery



dollars actually went to pay salaries.

I would like to turn to another thing that I was going to point out to the previous delegation, that in our system of government, we have adapted the British system which is based partially on statute and partially on tradition. Since the initial statute seems to be unclear what the intention was, the population at large seems to feel that that statute allocated the total sum of lottery moneys to culture and recreation. Yet from the way the money was allocated, and you were involved in that, it is obvious that the government of the time did not see that to be the case.

I would like to point out here that, even though Mr Farnan tends to try to colour the thing, his party was part of building up this tradition because it did support a minority government from 1977 to 1981 which built up a tradition of not allocating the total funds into culture and recreation.

Therefore, when a new government comes to power, it inherits this tradition. It seems to me that the Treasurer did not like what he inherited. He tried to straighten it out so that the legislation would spell out what the tradition was doing and, all of a sudden, we are caught in hot water.

I would just like to say that I think this bill does not try to take anything away from culture and recreation; it just tries to clarify the books of the government so that people do not get false expectations of things that had gone on in the past.

1520

Mr Baker: It is really not my position to defend what one side of the House vis-à-vis the other side of the House either is wishing to do or did do in the past. I think the bottom line is, there is a tremendous need and requirement for those dollars to be out there. I question if there is that trust out there in the community right now if those dollars are to remain because we know that the health community is pounding long and hard on the door for the dollars.

Ms Bryden: My colleague said that we knew where lottery funds were going during the minority government. We did not really know because it was not possible, unless you were a civil servant perhaps seeing all the allocations, to see that some of the lottery money was not going to groups that were eligible for grants in fitness and culture.

The thing is, I think we also have to remember when we are talking about minority government that the Treasurer did introduce a bill similar to the one we have before us to take complete control of the spending of lottery funds in 1986—Bill 38—but there was such a hue and cry from groups like yourself who appeared or who sent in letters that this should not be allowed that when he was in a minority situation and could not ram it through, he withdrew it. He let it die on Orders and Notices.

Now that he is in a majority situation, we have Bill 119 before us.

Mr Fleet: I would like to point out that there are different provisions in this bill.

Ms Bryden: I agree. Your point is well taken but the principle, as we have trying to point out, appears to be that the Treasurer is still at the helm and will have the full and final say as to where the money goes, subject

to the legislative vote.

However, I did want to respond to the brief and thank you both for coming. I do think you have made the point that parks and recreation are extremely important in the whole Ottawa-Carleton region, in places like the city of Kanata, which, as you say, is one of the fastest-growing parts of the province.

I also liked Ms Proudfoot's putting in a new light a theme that we have heard several times: that we have far too much curative medicine and not enough preventive medicine; that sports, recreation and culture contribute to the healthiness of our whole population, and of seniors in particular; that lifestyle contributes to our healthiness, and that sports and recreation and culture will develop a different lifestyle than we have. As well, exercise and activity will also develop a fitter lifestyle.

There are all sorts of good reasons for having a dedicated fund for sports and recreation, culture and exercise activities. I think that is something the committee should really consider: that we have not talked enough about lifestyle and about the healthiness of recreation and culture. I think the city of Toronto did make a very good brief on that particular issue. I hope the committee members have read it. They went through the whole value of recreation generally and made a good case.

What I would like to ask you, though, is: Would you consider some sort of a fund that would produce a partnership between the province and the municipalities to have a dedicated fund to promote, say, healthy lifestyle in the communities?

The Ontario Trillium Foundation does have a mandate to administer a certain percentage of lottery funds for social service programs. We certainly need that, although I think it has been pointed out here that that fund was set up without any particular legislative authority. But perhaps a similar fund administered by a municipal-provincial nonprofit group, or a group of representatives from those areas, could be set up to develop and to spend some lottery money on lifestyle and preventive medicine activities. Do you think that would be an idea that could be looked at?

Ms Proudfoot: Coming from an organization that is an association and not a municipality, I would hope it is not limited to a municipality type of management style, but I agree that if we had funds allocated and used within the regions, through the major providers of recreation, leisure and lifestyle services, that it would be a valuable thing.

Ms Bryden: Have you any comment, Mr Baker?

Mr Baker: I could just echo Jane's comments on this. Certainly, I know there has been an awful lot of work done in the province over the past years in terms of partnerships with the agencies and municipalities to the greater enhancement of leisure lifestyle. I myself get a little bit concerned when you hear about the Trillium organization and this type of organization.

I guess the base point is let's keep those channels open. Let's keep the dollars flowing. There are 800 municipalities in Ontario. They are all saying the same word in terms of, "Please, we need to hear from you people that there is a commitment to keep the lottery funds available to the better development and enhanced development of culture and recreation in our communities."



Mr Farnan: Yes, I appreciated very much your comments in terms of the well society. I spent some of last night trying to write up what I thought would be a good summary of it and I wished I had had your presentation yesterday. It would have saved me a couple of hours.

The one thing I liked today as well was your emphasis on listening. I think at this time in the proceedings it is a very timely reminder to all of us, the whole committee. We have heard from the broad spectrum of all of the groups and the message is crystal-clear. I have never sat on a committee where so many groups seem to have come together.

I commend you on the networking, but very clearly, there is a message that has been delivered. It is very appropriate at this time, and it will be interesting to see how this week culminates on Thursday afternoon, if indeed we have been listening. But I hope sincerely that your efforts and the efforts of all the people who have taken the time to make a presentation are rewarded by a responsive and positive response from this committee.

Mr Baker: I appreciate your comments. Certainly, we know our lobbying does not finish here. Again, we appreciate the efforts of the committee to come out to the Ottawa-Carleton region. We are, again, only a phone call away from our respective members of Parliament and you will not hear the end of us. I know across Ontario, you have probably got the same message. Culture and recreation are very important to the fabric of our community and it is not going to go away. Thank you.

The Chairman: Jane and Rick, I would like to thank you very much for your presentation. We are just about at the end of the half hour. I think, from the questioning, you realize you are right on track with some other presentations we have heard, so thank you very much.

Mr Baker: Thank you for your time.

The Chairman: I have been advised by our clerk that Ms A. Lacombe, the clerk-treasurer of the municipality of the township of Alfred, has not arrived as yet for the 3:30 presentation, but Barry Coopersmith, the director of parks and recreation for the city of Gloucester is here. I would like to move you up if you do not mind, Barry.

Mr Coopersmith: No problem.

The Chairman: We can keep rolling. I should warn Paul Kemp that we will follow along with your presentation from Nepean, unless the 3:30 person comes in.

Mr Reycraft: Mr Chairman, just in follow-up to the last point made by Mr Farnan, I would like to ask, did this committee invite presentations? Did it advertise and invite the public to provide advice to it?

The Chairman: My understanding is that at the time the standing committee on general government was assigned this particular task, this was identified in a number of ways, and we had had 97 groups or individuals contact us. By the time we structured some sort of format for these hearings, what we decided to do, as a committee, was to communicate with those 97 groups or individuals, invite them to come before the committee if they chose or to give us written submissions. At the same time we contacted AMO, and AMO saw fit, as its tack, to communicate with all the municipalities, I understand. I think that is how the municipal involvement was generated.

At the same time, a number of the 97 groups that had communicated with us were parts of umbrella groups, and we also communicated with a fairly substantial list of umbrella groups province-wide that were given to us by the various ministries.

1530

We came at it from two or three different ways from a committee communication point of view, and the purpose of all that was, as we decided, that the advertising of \$20,000 for a one-day insertion in whatever papers we chose to go in really was not as meaningful as going at it through the participating interested groups. So that is really how the interest was generated in the committee,

Mr Reycraft: So there was no public advertisement of the hearings?

The Chairman: There was no public advertising. I apologize for the delay. Carry on.

Mr Coopersmith: That is fine. As a matter of fact, I might just point out to you that the regional recreation resources groups, once it was notified the committee was meeting, did contact some 250 municipalities in eastern Ontario and advised them that there would be hearings and actually requested them to request you to hold your hearings in eastern Ontario as well as in Toronto.

The Chairman: The Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario and the recreation group, the umbrella groups for the province, really communicated to all of their participating groups, too. I think some of the groups were communicated with five times in total.

Mr Coopersmith: Better more communication than less communication.

The Chairman: We were interested in hearing from whoever wanted to talk to us. The other point of interest we might give you at this time, because this is coming up in the final week, is that we had a waiting list of about 24 groups. It turned out there were only two individuals, and they came from the same town, representing groups in that town, so they chose to come as a group finally, which meant they could have half an hour. But the 24 people on the waiting list have been exhausted, so if anyone, including a letter I got last Thursday—we phoned this morning and if that person wants to come we have time for him in the two and a half days remaining. As far as we know, everybody who wants to come before us and verbalize his concerns has been satisfied. That was the main aim of the whole process, so the clerk and I feel that we got the word out and people who want to talk to us have talked to us. Again, I apologize for the delay. Now we are right on time.

Mr Coopersmith: I tend to have a disease of my own and that is called verbal diarrhoea.

The Chairman: Thanks for the warning.

Mr Coopersmith: I have tried to prepare some concise notes and I will try to follow them as closely as I can. It should take about 10 minutes. There are a number of points and I will summarize them at the end.



## CITY OF GLOUCESTER

Mr Coopersmith: Thank you very much for the opportunity to speak to the committee. I very much appreciate it. I am here representing the city of Gloucester. Gloucester is a municipality which surrounds Ottawa on two sides. The airport, for instance, is in Gloucester and we have 100,000 people. Mayor Allen, unfortunately, had other pressing duties to attend to today and although he wanted to come was unable to.

Until recently, we were considered a bedroom community of Ottawa. With the advent of office and commercial development, we are moving towards a greater self-independence with respect to jobs. Telesat Canada and the sports administration building are two large corporate entities which have located in Gloucester in the past few years and CSIS, which is the Canadian Security Intelligence Service, has recently announced that it is building its headquarters in Gloucester. There is also on the books another one million square feet of office development that has been identified for Gloucester in the next year or two.

Residential growth has been a way of life in Gloucester for about the last 10 or 12 years. In this period, we have more than doubled our population. In the next 10 years, according to the regional official plan, we will add at least an additional 50,000 people, and more likely 100,000 people, to our population.

We believe that one of the reasons for this development of our commercial and industrial base as well as our large residential component comes as a result of the quality of life we have to offer in Gloucester.

In the past, the province has played a significant role in assisting the financing of the capital costs of our new and rejuvenated facilities. We are appreciative of the assistance given to date and we would like to see this assistance continue.

In the 1970s and 1980s, Ontario had been a leader in terms of recognizing the recreation, leisure and cultural rights of its citizens. As such, the province initiated a lottery program to assist municipalities and others with the funding of facilities and opportunities to allow a multiplicity of opportunity in their nonwork time. Municipal governments are the key providers of these opportunities.

The province of Ontario and several demographers in the past five years have published reports or papers indicating that the amount of time worked is falling or being reduced. John Kettle, author of several books on demographics and a renowned demographer, is projecting that the average work week will fall below 30 hours in the next 10 years. Conversely, the number of hours available for leisure pursuits will increase.

Concurrent with the previously noted changes is the reality that the population itself is ageing. The number and percentage of adults is on the rise and the percentage of children and youth is decreasing. Programs and opportunities in the leisure field are different for adults than they are for children and youth. New and refurbished facilities for new target markets are and will be required.

In the 1950s, 1960s and 1970s, the major emphasis for leisure patterns was directed towards the young male athlete. During the 1980s, this focus has been changing. Female and gender-neutral activities have started to gain

acceptance. In the 1990s and beyond, there will be a greater requirement to service the 50 per cent of our population which is not male. A greater proportion of our population in Ontario is also falling into the senior adult or gray-haired generation. We as Canadians are living longer and healthier lives. Our life expectancy rates are increasing and the demand for leisure services for this segment of our population is increasing and changing. Hopefully we are not solely concerned with the quantity of life but also with the quality of life for this segment of our population.

The province of Ontario set up a creative method of assistance to municipalities to meet the demands and ever changing requirements of a leisure services program that improves the quality of life of all its citizens. The province recognized that the primary delivery system for these programs and opportunities were at the local level; in the first instance, the municipalities and the complementary programs and opportunities of local agencies such as the YMCAs the RA centres and others.

The number of applications for assistance in recent years has far outstripped the funding provided by the province. Even though many of the programs qualified under the criteria set out by the province, the residual balance—and I heard earlier to the contrary, but I believed at the time that the residual balance in lottery-funded programs was about half a billion dollars, yet many worthwhile projects appeared not to be receiving funding even though they appeared to meet the criteria.

Each year the lottery fund generates between \$50 million and \$100 million. It is my understanding that a significant amount of the annual funds is spent on staff and other administrative matters either directly or indirectly. In order to meet the changing needs of leisure and quality-of-life aspects of Ontario, tens of millions or, at most, several hundred million dollars are required. The funds are there and designated for this purpose. Let's continue to use it for that purpose.

Although I am not very familiar with the health field, it has been widely reported that billions and tens of billions of dollars are required to meet the aims of their programs. I am not in any way denigrating the importance of health services, but I am suggesting to you that using lottery funding dedicated to leisure is not the solution for the funding problems in the health field.

1540

I would like to repeat two hypotheses, which I am sure you have heard from others: First, wellness as a concept is provided through the pursuit of leisure activities and as a result helps the population maintain their health and happiness as individuals; second, prevention is the key to sustain healthy individuals.

The two largest factors in sustaining and maintaining survivability are lifestyle and environment. The resources allocated to local leisure opportunities I believe heavily influence the lifestyle and nonwork environment of the populace. Although I appreciate that Bill 20 is not a direct function of your mandate, it will exponentially affect the ability of municipalities to renovate and rejuvenate facilities as a result of changing needs and demographics. The draft legislation will limit the use of lot levies directly to growth-related expenses. Presently, specialized equipment in buildings such as compressors in arenas or filtration systems in pools will not be included under the lot levy funding.



Notwithstanding the attempt by the province to create a partnership by the province and the local authority, as espoused in its recent philosophy papers on leisure, recreation and culture in Ontario, it appears that through Bill 119 and Bill 20 there will be an invisible and noncontributing partner, the province, and a second partner, the local paying partners, the city and local organizations that offer programs. I predict that this mentality on financial contributions for leisure services will lead to long-term destruction of the existing infrastructure for leisure and the immediate reduction of facilities and opportunities for the new and expanding groups of people who are demanding services most.

In closing, I would like to summarize the points I have made:

(a) Gloucester is a growing municipality;

(b) Ontario has been a leader in assuring the rights of leisure and culture as part of our provincial society;

(c) Progressive funding schemes have been used in the past, that is, the lottery funded programs;

(d) Requirements and target groups in the 1980s and 1990s are changing to include females, adults and seniors as a result of changing demands in demographics;

(e) An unsatisfied demand exists province-wide on an annual basis in this area, even though the residual and lottery funds continue to grow;

(f) Health is closely tied to lifestyle and environment, and lottery funds are for the most part targeted towards quality-of-life issues presently. Why change them?

(g) The financial requirement for health is 50 times to 100 times that of the ability of lottery funds to generate;

(h) Bill 20, dealing with lot levies, will further frustrate the municipalities' attempt to provide services to the citizens; and

(i) There appears to be a desire on the part of the province to shift the entire burden of expense for leisure directly to the local government.

My conclusion is quite simple: (1) maintain the current intent of the lottery funded programs; (2) develop a mechanism which better and more fully distributes the funds to local services providers; and (3) rather than withdrawing funds from the providers of the quality of life to Ontarians, increase it.

Mr. Reycraft: I have a couple of points and I will pursue them for as long as you will allow me to.

One of the theses in your summary is that the province is attempting to transfer the cost of leisure to the local level. The annual funding for culture and recreation programs five years ago, in the 1984-85 budget, was \$282 million. In this year's budget, it stands at \$418 million. That is an increase of \$136 million or an average of more than \$27 million a year over the past five years and that is 9.6 per cent on that 1985 base.

Given those numbers, do you not believe that those numbers verify the

fact that the opposite is true and that the province is trying to play a greater role in providing leisure services and activities for its citizens?

Mr Coopersmith: Last year, or two years ago, we went through a process with the provincial representatives, both from Toronto and locally, with respect to a paper that had been prepared by them called something like A Partnership for Ontario. The philosophy that was espoused in that paper appeared to be—and I am not talking about the last five years; I am talking about the future here—and I got quite upset with the paper at the session they held and I asked the assistant deputy minister who was there at the time point blank: "What this paper appeared to be saying is that you want us, ie, the local providers, to start paying for the programs that you wish to see in place"—"you" being the province. "You will prepare the philosophy and we will pay the bill." Excuse me for being so blunt, but certainly there was no comeback to that particular comment.

Mr Reyecraft: I am not getting one to mine either.

Mr Coopersmith: In answer to your question directly, numbers can be played with in a number of different ways. I do not know whether you have the accumulated figures, and I certainly have not seen them from five years ago, of all the funds spent on recreation, leisure and culture at that point in time versus all the numbers that are available today or not. If so, if those are the numbers you were quoting me, it sounds like your numbers are going up.

My concern has to do with the future and, to some extent, with the present, when a philosophy paper comes out that seems to indicate that, yes, the province wants to enter into a partnership with one member paying the bill and one group of individuals playing the tune.

Mr Reyecraft: I assure you that those numbers are accurate. The increase in this year's budget over last year's alone is \$48 million. I might also point out that we only expect lottery profits to increase by \$15 million in this fiscal year over last.

Mr Coopersmith: You are talking about total spending on the leisure and recreation field.

Mr Reyecraft: Culture and recreation programs as delivered by three different ministries, the Ministry of Tourism and Recreation, the Ministry of Culture and Communications and the Ministry of Citizenship.

Mr Coopersmith: How much of that money is actually distributed directly to the local service providers?

Mr Reyecraft: By far the biggest majority of it. I do know that where there is a lottery-based program and where administration of that program is required, as it always is at the provincial level, then the cost of administration of that program is included in the totals I am using. But it does not represent the total budgets of those three ministries. I want to assure you of that.

If I could move to a different question, and that is Bill 119 specifically, you understand the province's management of the lottery funds over the last 14 years since the Ontario Lottery Corporation Act was passed. What I want to find out is: Do you believe that Bill 119 represents a more significant threat for culture and recreation in this province than the status quo, the existing act and the way it has been implemented?



Mr Coopersmith: Someone indicated earlier that my understanding of the existing act was not the right understanding. Certainly I have been led to believe over the years—and I have been in this business for over 20 years—that the lottery program was set up for culture, recreation, leisure and fitness activities. It was indicated earlier here that in fact that is not the case. I was at a recent conference last month in Hamilton where virtually all the Ontario municipal delegates at that conference believed that the lottery funds are intended exclusively for the use of leisure, recreation, culture and sport in this province.

Mr Reyecraft: I believe the provincial government tried to create that perception back in 1975.

Mr Coopersmith: They did a good job.

Mr Reyecraft: Not to satisfy people involved in culture and recreation in the province, but instead to satisfy those whose moral sensitivities were offended by this whole idea of the province getting involved in the lottery program. If you have been involved in it for 20 years, you remember that the province's involvement in lotteries followed the success of the Olympic lottery and subsequent changes to the Criminal Code of Canada.

My view, from doing research on Bill 191, which is the original act, is that that was the reason for that so-called dedication. But in fact, I think the province indicated by its practice in the first couple of years of implementation of the act that that was not what it intended. Yes, it intended to use lottery profits for culture and recreation, but it did not intend to use all the lottery profits for those things.

Mr Coopersmith: From what I have heard today, it has been using roughly 35 per cent of it for that purpose.

1550

Mr Reyecraft: It has varied from year to year. There is the occasional year when the province actually allocated more to culture and recreation than it realized in lottery profits, but those years are very few. Certainly, there has always been an accumulated, unallocated surplus, no question about that.

I should also point out that there was an interpretation on the part of everybody at one time that section 9 of the existing act applied only to the Ontario games, that it did not apply to the profits of the interprovincial games, Lotto 6/49 and so on. It was only a couple of years ago, when the Attorney General (Mr Scott) provided a different opinion, that the government started to approach the profits from the interprovincial games in the same way as it did the profits from Wintario, Lottario and the Instant games. I should mention that the profits from those interprovincial lotteries make up the large majority of that total \$500 million that we expect to earn on lotteries this fiscal year.

Mr Coopersmith: In answer to your earlier question, which I guess I sidestepped slightly and was, "Do you believe Bill 119 will have a greater impact than the existing bill does?" I still believe that, combined certainly with Bill 20, it will destroy the infrastructure in most municipalities. I know that is a very strong word, but we are in a position as day-to-day operators of having to change our mindset completely over a very few years to provide services to whole new areas of the population that in the past never

had services.

In order for us to do that, we have very few options available to us. One is to renovate, rejuvenate, repair, whatever, to change the existing structures we have in place in order to offer our program opportunities or get agreements with the school boards, which we do already. The other one is to build new ones. The way these two bills are coming, one on the other, it very seriously looks like we will not be able to do either of those things to satisfy a significantly growing demand.

The Chairman: May I thank you, Mr Reycraft? You said you would go until I interrupted you.

Mr Reycraft: And now you have.

The Chairman: I have allowed Mr Reycraft to go a fairly lengthy period of time because my other two names are Mr Farnan and Ms Bryden and I tried to share the time on both sides of the group.

Mr Farnan: First of all, there is a lot of information that is hard to pin down, but one of the things that I think has been clarified for me and is now a fact is that in the past the needs of culture and recreation have not been met. We have heard today of one in 20 legitimate applications being accepted, so I think we can say it is a fact that funds have been denied to culture and recreation that were designated for that purpose. What makes it particularly upsetting is that often that was accompanied by a letter that said, "Insufficient funds available," at a time when there were funds. People now are discovering quite a sizeable unallocated surplus. That is one aspect.

The second aspect I am getting a feel for as I listen to the delegations, and I think your presentation today gave me the best overall focus on this, is that we are not just talking about past needs; we are talking about expanding needs for the future. Indeed, we are talking about a growth in this area that will be very significant. There are the demographics on seniors over the next 20 years. I think you talked about increased leisure. There is emphasis on fitness and emphasis on culture and the arts in response to that increased leisure. So we are not just talking about a status quo; we are talking about an expanding base that must be serviced.

The final thing I want to read into the record, because I heard it again today, is that there is a political price to pay if we do not listen. I do not think I particularly heard it in your presentation, although if you took the presentation and drew it to its logical conclusions you might well find that, but I certainly heard it in other delegations today. There is a political price to pay. I think the seniors in Ontario told us this when they talked to us in Toronto, that they are looking to this committee, I suspect, first of all, because we have been given the responsibility of bringing forward recommendations, and then they are looking to the House as a whole and the government in particular as to how we respond to what they feel is a very legitimate direction in preventive health care.

People are more serious about this particular bill, in my view, even than about the Sunday shopping legislation. I have detected a very serious statement of intent, "If you don't listen to us on this issue, there is indeed a political price to pay." I hope that will help all of us in our deliberations to respond appropriately.

The Chairman: Do you wish to react to that comment, Barry, or shall



I go on to Ms Bryden?

Mr Coopersmith: Please go on to Ms Bryden.

Ms Bryden: I appreciated your presentation, Mr Coopersmith. I think again you have brought to us the heart of the problem, that power is being shifted to the municipalities to do things that the provincial government used to do and the money is not following it and this makes the difficulties.

I think your recommendations at the end, half a dozen of them—I will be very glad to have them when the transcript comes so we can study them in more detail—were very far-reaching and would give us lines that we as a committee might pursue for future operations of the lottery corporation. One in particular that I want to make a short comment on was to improve the mechanism of distribution of grants, how the applications are processed, whether they are processed speedily enough and whether they are advertised adequately so people know what is available and what are the final results. There should be an overall report on what groups received how much money and what kinds of groups.

I think we might also look at this rather unique mechanism of distribution that the government set up five years ago called the Ontario Trillium Foundation. I am sure that most of the members of the board of directors are very well intentioned businessmen, but that is what they are, 26 appointed businessmen. It was incorporated, I believe, as a nonprofit corporation and then the government delegated to it the distribution of several millions of dollars of lottery funds for social service purposes that were not covered in the original legislation. Therefore, unless you say the government could spend the money in any way it wanted, it was not covered under the Ontario Lottery Corporation Act that money should be spent on social services. However, I am not objecting that money was spent on social services because I know there are a lot of self-help groups that received contributions of value.

1600

Mr Fleet: Are you for it or are you against it?

Ms Bryden: I would like its method of operation examined so that we know whether there is any accountability to the public for its policies except an annual report at the end. Reading from their annual report of 1988, it says: "In the first five years the Trillium Foundation has granted and pledged \$76,092,900 to voluntary organizations in Ontario providing social services to more than one million clients. These grants have furthered the work of over 120,000 volunteers."

So far so good. That is worthy spending of some lottery money, but I would like to suggest that this committee might recommend that mechanisms of distribution of that sort should also be examined as to whether there should be more opportunities for members of the general public to sit on them. They should be examined as to how the people should be appointed and how they should account to the public as a whole for their distribution. For any further dedication of funds that we are recommending, we should also perhaps consider what kind of mechanism should be set up for allocating those funds on a fairly equal basis.

Do you feel there is a need for improvement in the mechanism?

Mr Coopersmith: I think that, yes, there has to be improvement in the mechanism and distribution.

I guess the second point I tried to make there was that a greater amount of the funds brought in should be distributed on an annualized basis because of those programs that are not getting funded presently, so it is a doublebarrelled point, if you will.

Ms Bryden: I can appreciate that. The more different funds we have, the less there are for the existing commitment that was made in the original legislation.

Mr Faubert: I have two very quick questions. The first is an interesting observation about Bill 20. Gloucester has a lot levy and are you therefore concerned that the restriction of those only to capital funding for school construction will mean that you will lose your present funding going into recreation.

Mr Coopersmith: No. It is more directed towards the kinds of constraints they are putting on lot levies in terms of being only for growth, 100 per cent, and only for certain types of growth. For instance, the present legislation calls for new buildings; that is fine. But if I wanted to build a pool, the filtration system in that new pool would not be included in lot levy funding. If I wanted to build an arena—at least this is the interpretation we are getting back right now—the compressor systems would not be included in the arena.

Mr Faubert: That is by the whole capital costs restrictions.

Mr Coopersmith: That is right. The primary Zamboni would not be included for the arena. This is the interpretation we are getting back at this point in time from the legislation that is before you.

The Chairman: You will be interested to know that my colleague Mr Ballinger, who is now the parliamentary assistant to the Minister of Municipal Affairs, has a great deal of municipal experience. We have already had a four-hour discussion about his perceived omissions in Bill 20. I think what we are doing here is talking about a matter that is presently under review by another committee, really. It is really something Mr Faubert, as a municipal politician, should maybe get on top of too because there is a lot of material there that should be digested.

I would like to thank you very much for your presentation, particularly since you did stick to 10 minutes and that gave everybody a chance to say their piece too. We appreciate that.

What is probably our final presentation of the afternoon is going to be made by Paul Kemp, as I indicated a few minutes ago, on behalf of the corporation of the city of Nepean. Your colleague caused us a little concern because we thought the person who was not here a while ago was here and we were going to be going longer than we anticipated. I think some of the committee members have already made arrangements to get earlier flights. You may think I am very strict, but I am still just going to give you 30 minutes, even though we are at the end of the day.

#### CITY OF NEPEAN

Mr Kemp: That is fine. I express the mayor's regrets. He planned to



be here, but unfortunately he has to be at a regional council meeting this afternoon.

The city of Nepean's 100,000 residents enjoy a thriving business community, a multitude of parks and green space, as well as incomparable recreation and cultural facilities.

Nepean at this point has a thriving business community of about 2,000 businesses employing about 37,000 people. The planned expansion of Bell-Northern Research over the next decade provides a central focus for expansion and development of other businesses. At present, the city is studying the feasibility of adding a third business park to the highly successful Merivale Acres and Rideau Heights business parks.

Nepean residents have a wide variety of recreational and cultural activities from which to choose. The National Capital Equestrian Park provides the opportunity to learn to ride, participate in local equestrian competitions or watch national competitions. The renovated Nepean Sportsplex has expanded its role from curling, hockey, swimming and gym activities to include a sports medicine clinic, a seniors' centre and the Nepean Visual Arts Centre. The Walter Baker Sports Centre also provides opportunities for swimming, squash, weight lifting and skating.

In the arts, besides the visual arts centre, the new facilities for the creative arts centre will provide space for a school of music, the symphony orchestra, a ballet company, youth and adult theatre groups, concert and calypso bands and much needed rehearsal space for other local groups.

Local artists make good use of our two art galleries, one at Civic Square and one at the Sportsplex for display of their works of art.

Civic Square provides not only space for day-to-day city business but also a focus for leisure activities. The CentrepoinTE Theatre and the central library located at Civic Square see a daily stream of users. The council chambers also double as a 250-seat theatre. The meeting rooms and the atrium have hosted many community events, including heritage day celebrations.

Bike paths, ski trails, ball diamonds, soccer fields and a sailing club form the nucleus of a well-developed park system.

In the development of these facilities, the city has paid careful attention to accessibility. Accessibility of facilities works well in concert with an adapted school bus that provides transportation for special populations to recreation activities.

All of these facilities provide an essential support system for a myriad of volunteer and city-operated recreation and cultural programs.

In a recent article in the Harvard Business Review, Peter Drucker pointed out that one in every two American adults is involved in some kind of voluntary activity or work experience. In the United States, this means that 80 million-plus adults are engaged in voluntary work, for a total of 10 million full-time jobs or five per cent of the gross national population. The voluntary sector is the largest employer in the United States.

Similar figures are not readily available for Canada, but we do know that volunteers are an important part of Canadian life.

When Nepean's Centrepointhe Theatre opened in 1988, 200 people registered to act as volunteers for the theatre. This was only part of the story. Individual volunteers, volunteers groups, the municipality and the province had worked for 10 years in the development of the theatre. The province had supplied money for needs and feasibility studies. The groups worked on audience development, keeping the dream alive and designing the theatre. The municipality worked to find interim solutions to community theatre needs and then supplied dollars and staff to see that the theatre was built. When the theatre was built, the province assisted with construction dollars.

This is only one example of how a partnership between the province, the voluntary sector and municipalities has been working.

Lottery funds have been an integral part of the development of recreation programming from the inception of the lotteries. It would be difficult to accurately predict what would happen if these lottery funds were not available, although it is not hard to predict that lessening or withdrawal of lottery funds would create a domino effect. Municipalities would delay or cancel recreation initiatives. Voluntary associations and groups would begin to approach the municipalities to fill the gap left by withdrawal of lottery funds. Municipalities may increase their grants program but they will not be able to fulfil this demand alone.

#### 1610

A large majority of recreation in Ontario is delivered by voluntary associations and groups. Wintario has been significant in its contribution to these groups. It has provided an alternative funding to municipalities. The sometimes small amounts of dollars have been important to program delivery whether it has been a diving board for the diving club or a computer for registration for the ballet group. These contributions have been important to the voluntary sector, providing needed help to complete projects that it could not have fulfilled on its own. A sprung floor for the gymnastics club would have been out of the reach of the club without the assistance of lottery funds.

Volunteers are not just the backbone of recreation delivery throughout Ontario; they are the reason that the program exists as it does. The voluntary sector needs the continued support of lottery dollars.

The provision of lottery funds has helped further the Ministry of Tourism and Recreation's goal of the development of the broadest range of recreational services. The provision of lottery funds has been essential to the voluntary delivery of recreational services.

Future growth in Nepean: In the next several years the city of Nepean, as is the case throughout Ontario, will experience an ageing population. In addition, the growth of our south urban community is expected to increase our population by 85,000 people, made up mostly of young families. This means that the resources of all levels of government will be spread even further in trying to provide services to this broad range of ages. In its planning process for the south urban community, the city of Nepean has identified \$75 million worth of park development projects, including play structures, soccer fields, seniors' facilities, and passive and active parks. If we examine past records, we see that lottery funds have contributed approximately 10 per cent to the cost of park development. A similar contribution in the future is necessary if we are to develop the parks to the needs of the community.

This park development is an important part of the economic development



of the city. Parks are not as visible as new buildings but the employment of landscape architects, construction firms and landscape firms does create jobs.

The city of Nepean has just recently completed a major facility requirement study. We are at present in the community consultation stage of that study, so council has not yet set priorities for facility development. As a result, we cannot detail dollar economic impact, but the decision to renovate or build any facilities will help to create jobs.

Health and wellness: Recreation departments have always played a major role in the development of fitness as a means to staying healthy. This past spring, faced with a demand from seniors to participate in fitness at their convenience and with a lack of public facilities to use on a continuous basis, we joined with a local mall to create a mall walking program. We had 100 seniors enrolled within one week. Within seven days, two seniors had completed 100 kilometres of walking in the mall. For the seniors it provided an opportunity to stay fit at their convenience.

For the past four years, we have been working in co-operation with the Ottawa Heart Institute in providing fitness classes for postcardiac patients. We are also co-operating with the Ottawa-Carleton regional health unit in presenting its Heartbeat program to the community.

The training of fitness leaders to ensure safe, healthy fitness classes has been an important provincial-community initiative.

On the social-psychological side, participation provides an opportunity to reduce stress and do something that is fun or personally meaningful. In Drucker's article, referred to earlier, many managers gave the reason for volunteering as they "could have some impact," something they did not find in their occupations. Leisure activities give us the chance to be responsible only to ourselves, set our own goals and revel in our achievements. This chance to build our own rewarding lifestyle is not often one we get.

In the Ottawa-Carleton social planning council report Trends, it was noted in reference to its Healthstyles program that physical activity in the form of walking, cycling and attending fitness classes was on the increase. This same report noted that wellness is a resource for everyday living, not an end in itself, and this resource must be constantly renewed and nurtured, socially, personally and physically.

In addition to everyday wellness and fitness, recreation departments are being called upon to participate with the health sector in other ways. Most recently, after consultation with a local hospital, we became involved in a day program for frail elderly who had recently been discharged from a hospital day program. Over the past couple of years recreation agencies have been increasingly seen as resources by the health sector in carrying out health-related programs.

In Ottawa-Carleton it is estimated there are 61,000 nonfamily households. Recreation is an opportunity for these single individuals to meet and spend time with other individuals. The Trends report also indicated that there was an increase of latchkey children who must find their own entertainment. After Four recreation programs present a partial solution to this problem.

Youth programs provide a constructive focus for energy and a chance to learn lifestyle skills. For seniors, new challenges in the form of visual or

performing arts can make retirement worth while and not just a burden of unfilled time. Recreation services must also continue to expand to include the population of deinstitutionalized individuals.

Along with the increased services to deinstitutionalized individuals, recreation authorities must continue to make programs adaptable and integrated. Initiatives such as our HandiBus, partially funded by Wintario funds, have made recreation programs more accessible. Recreation departments also assist voluntary agencies, such as Girl Guides and Boy Scouts, in making their programs accessible.

Specific economic and recreational results are beyond the scope of this paper. We would have to apply for a Wintario grant to complete the necessary research.

In the report Recreation: A Changing Society's Economic Giant, it states that every dollar in recreation expenditure leverages \$9 of additional expenditure. Most of this expenditure occurs at a local level. It is impossible without extensive cash flow to local economies, but it will be extensive.

In the past five years Wintario moneys have assisted in the development of many projects within the city of Nepean: skating rinks, tennis courts, theatres, parks and lawn bowling. Some of these projects would not exist without the assistance of Wintario lottery funds. Without such assistance there would be no Civic Square skating rink. Without a skating rink there would be no New Year's Eve family party, a nonalcoholic chance for fun as a family; not a life-and-death decision, but a chance to make the kind of lifestyle decision that we want to lead.

There is an economic impact on a more individual level, even a sport like soccer which does not require a lot of expensive equipment. For example, soccer shoes run from \$20 to \$40, socks \$15, shorts \$10 and a sweater \$20, for a total of \$65 which, multiplied by thousands of Ontario youth, has a significant economic impact. An art course costing \$30 probably has a list of supplies that will cost a similar amount. The tourist industry gets a boost from the number of sports groups travelling to other areas for tournaments and games and from artists taking painting field trips.

We could continue to itemize the arts and sports for individual expenditures related to each, but that would become tedious. The examples used here are not the sports with expensive equipment, such as skiing and hockey. The direct expenditures outlined are recurring year after year.

#### 1620

In a Vancouver study on the economic impact of the arts, it stated that the symphony, or a special exhibit attracting 100 visitors a day on a day-to-day basis, brings the same income as does a business with a payroll of \$500,000.

Part-time staff who are using after-school and summer jobs to help pay for school find the economic impact of recreation essential. It is apparent that recreation and cultural expenditures are significant to local economies.

The availability of lottery funds is important to the continued quality operation of recreation and cultural services throughout Ontario. The delivery of recreation and cultural services by voluntary groups and municipalities is



dependent on lottery funds.

The city of Nepean supports the Parks and Recreation Federation's proposal that:

1. One third of the ongoing annual profits of all six lotteries be allocated for the support of culture, recreation, sports and fitness; that these ongoing profits continue to be used for capital projects and other nonrecurring purposes;

2. The accumulated profits of the dedicated Ontario lotteries be treated as a trust fund and the interest thereon be allocated annually for the support of culture, recreation, sports and fitness; that the interest on the trust fund be split equally between the culture and recreation sectors, and be allocated for specific priority projects.

The Chairman: Thank you very much for a very complete and comprehensive report, Paul.

Ms Bryden: I really appreciate your brief, because I think it is the first comprehensive brief we have received on the role of the volunteer in the delivery of recreational and cultural services and the way that they can contribute to the community. I think this is certainly the way of the future for utilizing the spare time, the leisure time, of many people who are on early retirement and seniors who are increasing in number. But it does also put a perspective on what objectives you are trying to obtain by encouraging volunteer participation in all these recreational, cultural and fitness activities. I think some of your statistics are very useful in pointing out that for every dollar spent on recreation there is \$9 spent in additional expenditures in a community. For every 100 visitors a day who come to an exhibit or a symphony, there is the equivalent of the operation, I think it was, of a payroll of \$500,000. So it is not without economic benefits, as well.

I think we should perhaps have a section in our report stressing the importance of volunteerism and the development of services which will encourage volunteerism and make it more attractive, as well as recognizing its very important health benefits.

Do you have any specific recommendations we should suggest that municipalities such as Nepean might like to see included in the report as to how the volunteers could be used more adequately?

Mr Callahan: Could I get some clarification? Are we dealing with a report or a bill?

Interjection.

Mr Callahan: Does the report go with the bill?

The Chairman: No.

Ms Bryden: Are we not allowed to submit a preliminary—

The Chairman: There will be no report. We just do clause-by-clause and report back as we choose, or not report back to the House, on Bill 119.

Ms Bryden: Is there anything to prevent members of the committee producing a minority report saying that, from the hearings, we would also like

to see the government look at X, Y and Z policies?

The Chairman: You can do anything you want, but you have to clear the committee.

Ms Bryden: I think it is something worth considering, because we have had a lot of good ideas put forward to us from these hearings. Would Paul like to comment?

Mr Kemp: I think up to this point there has been a broad enough approach that the voluntary sector has been supported. I would say that that should be continued up to this time, that in fact as people make their personal kinds of choices, that that covers that. I think that has shown up as the one point I quoted, that given the kind of activity people enjoy and like, they will respond in large numbers and very quickly. In our own case and in cases across the province, the voluntary sector has made good use of the lottery funds and that should continue to be open to them.

Ms Bryden: Are they getting any specific funds for, say, training volunteers or recruiting them?

Mr Kemp: Yes, on both of those counts, both municipalities and individual associations. As Rick Baker pointed out before, the sports governing bodies that are supported by lottery funds provide a great deal of training across the province.

Ms Bryden: But you have fears that without any sort of earmarked funds, those sources of funds may dry up.

Mr Kemp: Yes, there is always that concern.

The Chairman: I have a further clarification on your comment with respect to the possibility of writing a report. That is acceptable federally, apparently, our clerk tells us, but provincially, ordinarily the way that kind of input is put in is in the discussion of the bill, when it is discussed back in the House. So we are doing things a little bit differently provincially, apparently, than they do federally. Federally, they can write a report and submit it with the bill, but ordinarily that is not done provincially.

Ms Bryden: There is some opportunity anyway.

Mr Reycraft: I want to ask about the recommendations. The suggestion is that one third of the profit from the six lotteries be used for capital projects and other nonrecurring purposes and that the interest on the unallocated surplus be used for specific priority projects. At the moment, as I understand it, some of the lottery profits that are allocated, both by the Ministry of Tourism and Recreation and by the Ministry of Culture and Communications, are for programs, for operating costs.

Mr Kemp: Not on an ongoing basis.

Mr Reycraft: Are not some of the funds that are allocated to the Ontario Arts Council lottery funds?

Mr Kemp: Yes; correct.

Mr Reycraft: Do they not in turn allocate those to various groups on an ongoing basis?



Mr Kemp: Yes.

Mr Reycraft: Where would the Ontario Arts Council money come from under this recommendation?

Mr Callahan: The Ontario Trillium Foundation.

Mr Reycraft: No, I do not think so.

Mr Callahan: I thought it did.

Mr Kemp: I am not sure of the specific source of it. Some of the funds at this point come from that source, I understand, and some come from general revenue.

Mr Reycraft: Yes, that is my understanding as well. Some of them are lottery-based and some of them are taxation-based.

One of the concerns I have with the recommendation, not the only one, is that it would not adequately provide for lottery funds that are now being flowed to groups and organizations in the province to be used on an ongoing basis to operate programs. Has that been considered?

Mr Kemp: Not fully, no.

Mr Reycraft: There is a bigger problem I have, though, with this whole idea of a guarantee. Do you not feel that if this recommendation was adopted and the government wanted to reduce its taxation for programs, it would be very tempted to move programs that are currently funded from taxation to lottery-based programs? I know technically there is a commitment not to do that, but it can easily be done by simply introducing new programs that essentially do the same as some existing programs and then fairly quickly winding down the existing programs. A government could say: "That is a new program. It is lottery-based." Does that not almost invite a government to play games with the system?

1630

Mr Kemp: I think that is always the temptation within the kinds of dollars the lottery funds are generating. If you are also suggesting that there will be funds available from general revenue on a continuous basis, I cannot quite agree with that.

Mr Reycraft: That is the case now. The total amount of money allocated for culture and recreation programs in the province is in excess of \$400 million dollars in this year's budget. Of that, only about \$100 million to \$110 million represents lottery-funded programs. The rest is taxation-funded. It seems to me that if the government wanted to honour the letter of the guarantee but not the spirit of it, it could easily do so.

Mr Kemp: I think the particular fault when looking at this was that the focus was not on the larger cultural organizations, and that kind of shows the blinkers a municipality might have sometimes, because it is the province and the Ontario Arts Council that deal directly with those. In the cases I have been quoting and talking about, we are really talking about small organizations, like a local ballet company, that do not receive arts council funding because they are not eligible. That is the kind of focus that comes out of this paper. When you broaden the picture, as you have, to much larger

organizations, then yes, of course that is a necessary base. I apologize for my lack of foresight in quoting that.

Mr. Reycraft: There is no need to apologize.

You talk in your brief quite positively about the way you have been able to use Wintario funds in Nepean. If you could be assured that this kind of support through lottery programs would continue to be available and that the province's overall commitment to culture and recreation would be maintained at a minimum, but even more hopefully that it would be enhanced, would there be concern about Bill 119?

Mr. Kemp: No. The concern at this point comes from experience. As Rick Baker pointed out before, he has worked in the industry for 20 years. My experience is a little longer than that. At one point I worked for three different ministries and did not move my desk.

I worked for the Department of Education, community programs branch, and at that time in the 1960s there was no question that schools were being built and that part of the funding was going to a school as a community recreation facility. Those schools are now being sold off. To convince the school board that it is selling off a recreation facility is very difficult to do. Times change.

My other experience is that one of the first jobs I had was in Victoriatown in Montreal. That is where Habitat now sits, so a whole community was just taken down and wiped out. Of course, the Ontario government would not be nearly as cavalier as our Quebec neighbours, but those are the kinds of things, at this point, that the council and I found it necessary to raise. If it is not the plan to reduce the amount of funding or restrict it in any way, that is good to hear, but it is an issue that is important enough to the community that we should speak out at this time.

Mr. Reycraft: That is certainly not the plan, I can assure you of that.

Mr. Callahan: Just going with what was said, the third of all six lotteries that you are talking about, do you share the concern that I had back when there were a couple of arena roofs found to be dangerous and the government of the day wound up, I think, putting a roof on almost every arena in Ontario?

Mr. Fleet: It might have been just before an election.

Mr. Callahan: Just before an election, and that is what concerns me, that if that money is there it may give the people who are seeking it, as well as the politicians who wish to aggrandize themselves before an election, the desire to expend the full one third.

Mr. Kemp: Yes, that is a possibility, but I have to counter that in terms of when we were looking for ways of reducing costs related to energy in combination with assistance from the province, we did it in a unique way and actually borrowed the money from council and the recreation department with a guarantee that we would pay it back in five years. In fact, we were able to pay that back in three years. That kind of expenditure has continued to save money for the province. You have those kinds of things that you have to look at and balance off.



The Chairman: Thank you very much, Paul Kemp. I appreciate your coming in. I hope we did not rush you too much.

Mr Kemp: No, that is fine.

The Chairman: You had a very complete and comprehensive report that was well thought out. Thank you very much for it.

Are there any further comments, questions or clarifications by the committee before we adjourn? We adjourned to Ottawa on 21 September and now we are adjourning back to Toronto to begin again at 10 o'clock tomorrow morning.

The committee adjourned at 1635.

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STANDING COMMITTEE ON GENERAL GOVERNMENT

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989

TUESDAY 3 OCTOBER 1989

Morning Sitting



STANDING COMMITTEE ON GENERAL GOVERNMENT

CHAIRMAN: Elliot, R. Walter (Halton North L)

VICE-CHAIRMAN: Faubert, Frank (Scarborough--Ellesmere L)

Bryden, Marion (Beaches--Woodbine NDP)

Callahan, Robert V. (Brampton South L)

Charlton, Brian A. (Hamilton Mountain NDP)

Cordiano, Joseph (Lawrence L)

Cureatz, Sam L. (Durham East PC)

Fleet, David (High Park--Swansea L)

McLean, Allan K. (Simcoe East PC)

Ruprecht, Tony (Parkdale L)

Sola, John (Mississauga East L)

Substitutions:

Cunningham, Dianne E. (London North PC) for Mr Cureatz

Farnan, Michael (Cambridge NDP) for Mr Charlton

Pelissero, Harry E. (Lincoln L) for Mr Cordiano

Reycraft, Douglas R. (Middlesex L) for Mr Ruprecht

Sterling, Norman W. (Carleton PC) for Mr McLean

Clerk: Carrozza, Franco

Staff:

Anderson, Anne, Research Officer, Legislative Research Service

Witnesses:

From the Blue Mountain Foundation for the Arts:

Lepa, Norma, Chairman

Lazenby, Carolyn, Member, Board of Directors

From the Collingwood Public Library:

Oziewicz, Brenda, Chief Librarian

From the Tarragon Theatre:

Green, Philip, Chairman, Board of Directors

Gilbert, Mallory, General Manager

From the Solar Stage Theatre:

Schatzky, Anthony, General Manager

LEGISLATIVE ASSEMBLY OF ONTARIO  
STANDING COMMITTEE ON GENERAL GOVERNMENT

Tuesday 3 October 1989

The committee met at 1017 in committee room 2.

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989  
(continued)

Consideration of Bill 119, An Act to amend the Ontario Lottery Corporation Act.

The Chairman: The chair recognizes a quorum. I would like to begin the presentations; we have been delayed a little already. To make best use of the time this morning, I would like to call on the first group of presenters, from the Blue Mountain Foundation for the Arts. I believe Norma Lepa and Carolyn Lazenby are going to be making the presentation on behalf of that group. This is the standing committee on general government and we are continuing our hearings on Bill 119, An Act to amend the Ontario Lottery Corporation Act. Do not feel the time you have been sitting patiently waiting is taken from your time; you have 30 minutes.

BLUE MOUNTAIN FOUNDATION FOR THE ARTS

Mrs Lepa: On behalf of the Blue Mountain Foundation for the Arts of Collingwood, Ontario, we really wish to thank you for providing us with an opportunity to express our concerns with respect to Bill 119.

My name is Norma Lepa and I am the chairperson of the Blue Mountain Foundation for the Arts. With me today is Carolyn Lazenby. She is a member of our board of directors. Carolyn will present an overview of our arts activities, then I will discuss the impact of Bill 119 on our foundation, and Carolyn will complete our presentation with a number of points for your consideration. Mr Chairman, is this acceptable to the committee?

The Chairman: It certainly is.

Mrs Lazenby: Blue Mountain Foundation for the Arts was founded in 1975 as the community arts council to serve the Georgian Triangle community. The original mandate established was twofold: first, to encourage, develop and promote the arts, and, second, to establish an all-purpose arts facility.

The foundation membership covers the catchment area of approximately 50,000 people, not including the weekend residents. Our office is located in Collingwood and we draw on the surrounding communities of Creemore, Wasaga Beach, Stayner, Thornbury, Clarksburg and Meaford.

The year 1975 saw an inaugural budget of less than \$3,000 and the creation of one organized committee, known as the members' committee. Over the past 14 years the foundation expanded to include the following committees: performing arts, our largest committee, with 23 volunteers; performing arts for youth committee, about 18; the publishing committee; the festival committee; the literary committee, and the arts education committee.

These committees present a variety of nonprofit programs within a budget



of approximately \$87,000 for last year. Over the years the foundation has developed an arts scholarship program and annually presents \$100 to three graduating students at each of our three area high schools. They are at Stayner, Collingwood and Meaford.

The foundation operates as a nonprofit organization and gives total value for its dollar, we believe. We have received funding from the Ontario Arts Council since our inception, and during the last two years we have had financial support from the town of Collingwood. It was approximately \$1,500 last year. Specific budget and funding information pertaining to the last five years is provided in the appendix attached.

The Blue Mountain Foundation for the Arts is involved in active arts programs for all ages. For example, this year the performing arts for youth committee has scheduled 22 in-school performances for over 6,000 area students. The performing arts committee will present five concerts, in five venues, to over 500 area subscribers. Another example of our programming scope is evident in the publication of a book, Collingwood: Historic Homes and Buildings, which will be launched 22 October. Norma has a little publicity here. It just went to press last Tuesday and to the binder this week.

Mrs Lepa: We are very proud of it.

Mrs Lazenby: All programs operate on a nonprofit basis, overseen by a volunteer board of directors. Through planning, dedication and a lot of hard work, the foundation has established an excellent reputation as a community arts council and is considered to be a major provider of cultural activities for residents of the Georgian Triangle. Norma Lepa will now discuss the potential impact of the bill on our organization, as we see it.

Mrs Lepa: Bill 119, a proposed amendment to the Ontario Lottery Corporation Act, could jeopardize government financial commitments to cultural and recreational activities within our community. As a nonprofit volunteer organization, funding is an extremely sensitive issue. Our programs require both financial and moral support from this government to survive. If funds continue to be limited and reallocated instead of being directed to new and established programs, this government will erode our future growth and development. Our whole funding base will become unstable. With the stroke of a pen, this and future governments would be able to slash our funding to almost nil.

The Georgian Triangle area is growing by leaps and bounds. As a four-season resort with an increase in residents' leisure time activities, we are experiencing a tremendous increase in demand for programs. These programs serve both our adult and child population.

Being approximately 150 kilometres north of Toronto, we are somewhat cut off from the arts and cultural facilities and activities presently available to those living in larger urban areas. The Blue Mountain Foundation for the Arts has endeavoured to provide an enriched cultural environment within our community. Through our many cultural activities we feel we have improved the quality of life for residents in our area.

In order for us to continue with existing programs and to expand and meet the needs of our growing communities, in order for us to plan effectively, we need a commitment from this government that our growth can continue, that funds will be made available to us to hire permanent full-time staff to complement our strong and energetic core of volunteers. Carolyn and I are part of that strong, energetic core.

But we are burning out. We are nearing the end of our capabilities to cope on a volunteer basis. Carolyn pulled some figures together last night and came up with 5,000 volunteer hours expended just by our board alone. We are concerned that the OAC proposal of 1986 to double its funding level over a five-year period was really not adequately responded to by this government. This is a major concern to us, as the OAC is our source of funding.

In our 1988-89 budget submission to OAC, we requested a substantial increase—in our view a substantial increase of funding—of approximately \$11,000. That was to allow us to hire a part-time executive director for the foundation. That request was turned down, even though the need for staff was well documented. We were told that all the dollars had been allocated; there was no money left.

In our 1989-90 budget submission we have again asked for additional funds for the same purpose, again documenting our needs. We have been told by ministry representatives not to expect success. We have been told there just is not any money.

Again, in 1988 we applied for a project grant of \$8,000 to help us publish our heritage book, which I previously mentioned and showed you the poster for. We felt strongly that a publication documenting the architectural identity of our community would contribute to better understanding and would strengthen the social and cultural fibre of our community. Unfortunately, the application was denied. We reapplied and finally received reduced funding of \$2,000 to go towards a \$60,000 printing bill.

How shocked and dismayed we felt when we realized that so many needed dollars have been withheld. There should never have been surplus dollars. Those surplus dollars were unallocated. We do not understand that. Government has not fulfilled its mandate to make these funds available to organizations such as ours.

In 1987, the Blue Mountain Foundation for the Arts embarked on a feasibility study to determine if there was a need for a performing arts centre. The study was completed in 1988 by Fox Jones and Associates of Toronto. It concluded, among other things: first, that current facilities used for the performing arts have serious shortcomings in our community; second, that Collingwood has a significant number of quality performing arts groups, able to provide substantial programming for a small facility of approximately 500 seats; third, that Collingwood has a history of supporting performing arts events and a very strong current growth that suggests that adequate audiences would be available for well-planned programming. They are looking at between 20,000 and 40,000 people annually.

We feel our long-range goal of achieving an all-purpose arts facility is now documented. We feel we have done our homework.

In addition, a 1989 report, A Second Age of Recreation in Collingwood: Recreation and Culture Master Plan Update, prepared by Lifetime Consulting Services in association with Stefan Ballinger and Associates, recommended that: "An all-purpose performing arts theatre be provided, (and that this recommendation be) given number one priority, as the theatre has the potential to appeal to a large number of residents, both part-time and full-time, and to tourists, who are themselves a priority to serve."

Our community needs to know that our funding efforts to provide an all-arts facility will receive matching government dollars. We need that kind of commitment.



Mrs Lazenby: In conclusion, we wish to make the following points for your consideration.

1. We believe that cultural and recreational needs in general will continue to increase across the province since more leisure time will become available as education, income and age levels rise.

2. There appears to be no protection against the erosion of funds in Bill 119 since there are no guidelines for the Treasurer (Mr R. F. Nixon) to allocate such surplus funds. The potential exists for that erosion to occur, especially in culture and recreation. We respectfully request the committee's assurance that this erosion will not happen.

3. Bill 119 appears to contravene the spirit of the lottery advertising and its original mandate. Are the arts and recreation really expected to operate on the whim of government? We wonder, when a funding base was established and then apparently lost through what appears to be a type of smoke and mirrors accounting.

4. We believe that government is getting a good return for dollars invested in culture and recreation. Small grants go a long way to stimulate activities at the community level. We believe we are fiscally responsible with moneys received. We utilize volunteers to their maximum capacities and we tap the municipal, the corporate and the private sectors for funds. In short, we are an efficient and responsible organization.

5. If lottery funds are eroded, the demand for government funding will shift to the municipal tax base. In many communities, this could mean disaster. Indeed, most smaller communities do not have sufficient tax-based dollars to allocate to culture and recreation.

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6. We ask this government to end the destructive and needless politics of culture versus health care. We feel that any lottery surplus funds would have only a marginal impact on the financial problems of our health care system, whereas at present those same funds are the lifeblood of culture and recreation. At this time, we urge this committee to recommend that Bill 119 be withdrawn. Failing that, and at the very least, we request and anticipate that this committee will see fit to provide for culture and recreation through appropriate guidelines and amendments to Bill 119.

Mr Farnan: Could I ask you what the approximate population of Collingwood would be?

Mrs Lepa: Twelve thousand for the town of Collingwood presently. People are coming in behind us. I believe that is not counting our weekend residents, who really swell the numbers.

Mr Farnan: Thank you. Obviously, in a small community your group has a very significant role to play, in my view. This is more in the way of a comment on some of the things you have been saying here. As New Democrats, we have certainly supported culture and the arts as a process to develop a healthier society, a better lifestyle for Ontarians. We basically believe in the model that a healthy body and healthy mind make for a healthy society.

The extraordinary fact you mentioned to the committee is the more than 5,000 volunteer hours of the board alone. The groups that have been appearing



before this committee in some instances represent tens of thousands or hundreds of thousands of volunteers. When you look at something like the hockey associations with their coaches and conveners and referees, etc, and you imagine the number of volunteer hours we are talking about in culture and recreation across the province, when in your groups it is over 5,000, probably if we were to try and put a dollar figure on those volunteer hours, it would be in the billions of dollars. That is my estimation.

What we have is a partnership of very committed and dedicated volunteers, of which you are a part, coming to the government and saying, "We want to work with you to provide a better quality of lifestyle, to provide a healthier society, but what we want is co-operation." I think what you are also saying is, "We want some honesty and some trust in the relationship."

I detect from your brief that there is a feeling that whatever agreement was made in the past was broken. I think you put it very politely when you said, "The government has not fulfilled its mandate to make these funds available to organizations such as ours." You are making a legitimate application, yet you are getting back a letter from the government which says that there are insufficient funds available, there is no money left. You have been told there just is not any money, yet now you discover \$400 million in unspent lottery funds from the designated lotteries and another \$900 million in the interprovincial lotteries.

I think what is required at this stage is for the government to renew its covenant with those hundreds of thousands of volunteers. If there has been a breaking of the trust in the past—I do not care which government broke the trust. There have been arguments at this table whether it was the Conservatives or whether it was the Liberals. We do not want to be partisan about this; we just want to establish, for the future, trust.

I want to assure you that New Democrats have put forward two motions. We are waiting for a decision from the chairman as to whether those motions that we have tabled are in order. Those motions will respond to the culture and recreation groups and will ask for a minimum of one third of the lottery profits of all six lotteries to be addressed to culture and recreation, and for the unspent surplus, which is \$1.3 billion in unallocated funds, to be put into a trust fund. Those two motions reflect the kind of response you want from this committee and from this government.

Mrs Lepa: I think we were very hesitant to put a percentage or a dollar value on our needs. We are trying to look globally, but we are really looking parochially at our development. We are a little scared at this moment in time. We moved ahead and developed programs and expanded our commitment within the community, and whether real or perceived, I think there is an expectation out there now that this must continue. We are very concerned, as volunteers, that we cannot keep up the pace. We need money to have professional help to back up the work we are doing.

As we speak, there are volunteers in the rural areas of Creemore and Meaford providing a concert series of Paul Gaulin, Canada's mime, to young children within a rural area. Some of these children have never seen live theatre and, through the work of the foundation, this is happening today. Through the work of our volunteers, these children are able to experience cultural activities that have in the past just been for perhaps the more affluent or for people living in more urban areas. Again, we need some assurance. We are not sure of the dollar values; that is not our area of

expertise, but we need some assurance that in fact we can continue to grow as our community grows.

Mr Farnan: Thank you.

Mr Reyecraft: I want to thank the representatives from the Blue Mountain Foundation for the Arts for the presentation. It is obvious from what you have put before us this morning that you are doing a fine job, and let me say that no matter how you feel, neither of you looks nor sounds burned out.

Mrs Lepa: We are.

Mr Reyecraft: I encourage you to continue the effort. Are you familiar with the existing Ontario Lottery Corporation Act?

Mrs Lepa: We have read it. We have not totally absorbed it. As I said, I think we have taken a rather parochial look at our problems.

Mr Reyecraft: I wanted to address the frustration you expressed at being told by ministry officials that there was no more money available and then finding out that not all of the lottery profits had been allocated for use by groups in the province.

The Ontario Lottery Corporation Act requires the corporation to transfer, every year, all of the profits that it makes on lotteries to the provincial Treasurer to be deposited into the consolidated revenue fund. Then, as a part of the annual budget allocation process that directs specific amounts of money to various ministries, the Treasurer makes specific allocations of lottery funds to, I believe, three ministries: the Ministry of Culture and Communications, the Ministry of Tourism and Recreation and the Ministry of Citizenship.

The treasurers over the years have never allocated all of the lottery profits to various ministries, so there has been a surplus of lottery funds transferred to the CRF but not allocated to those ministries that has accumulated ever since the province got into the lottery business back in 1975. So the ministry official who is giving you that story about no more money is telling you the truth.

Mrs Lepa: We understand that; and these are very caring, understanding people. I am sure if we shook their jackets, we would not even find a quarter in them. We realize that. I guess our problem is that so many small groups and arts councils such as ourselves have applied, and through the bureaucratic tangle of trying to fill out the forms and get everything letter-perfect and every little detail in, the number of people being turned down for funds is enormous. We know that.

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I know you have to be fiscally responsible as a government, but I do not feel you have a full understanding of the demand in the community, because I do not think the grants are getting through. It is not as if they are all passed and then you take a percentage. The number being turned down is phenomenal. We have heard things like one in 10 are being turned down, or one in seven. We can understand this, and I feel a lot of empathy for the ministry staff who are caught in the middle, trying to deal with our needs and trying to live within the budget restraints put upon them.

Do you have anything to say to that, Carolyn?



Mrs Lazenby: We are feeling it most now in the need of more staffing to alleviate some of the hours that are being put in by the 15-member board. We have been talking for five years about a part-time executive director, and it was very pie-in-the-sky and dreamlike for the first three. In the last two years it has become very evident that we have taken on too much to handle without this executive director. It is such a fancy title, really, but we need this person to be there, even if part-time.

We have a part-time secretary who works mornings 9 to 12 to accomplish all the work from these committees I am talking about. The last project was a \$60,000 project. It is just phenomenal to have carried through in the summer when our office is technically closed. The secretary does not even work. There were five people who literally gave their summers. I was one of them and I gave it gladly; there was no problem. It is beautiful out there in the summer.

Our operating budget from the Ontario Arts Council is \$10,000. That does not go very far. Our projected figures are \$107,000. We pay \$7,000 to a part-time secretary now. That covers the total operating budget. We have tried for the last two years to get a higher budget to operate on, and we have been turned down. This year we have asked for \$15,000. It is very modest and it would cover a part-time executive director. We are hoping that that will be looked upon favourably. It is hard to come begging time and time again.

Mrs Lepa: Also in answer to that, it is not through any fault of our own that we are growing. The growth is being imposed on us by the development in our area. We are living in God's country, as we call it. People want to come and spend their time there. They want to retire there and they want to spend their weekends there. They come and want services, activities. They want the rich culture we can add.

Again, I love this poster, but our book, we feel, is very important to the work of the foundation. We hope eventually to have one for each of our area communities to be able to save and keep that rich heritage we have. It could be lost over the years. We see the foundation as being the catalyst to save that kind of heritage.

But we are really tired and we are scared. We are really scared that we have expanded to a point where we do not want to falter. We do not want to not provide quality in everything we do. We are frightened that in fact as we move ahead and our community grows, the underpinnings of our basic budgets will not be there.

Again, if you recall, Collingwood has lost its shipyard. We have lost Bendix. We are becoming a service industry community, and you know what that means in terms of tax-base dollars: The average income is lowered. It takes two incomes now for the basic people in Collingwood to survive. House prices are not like those in Toronto, but they are well on their way. They have tripled in the last three years.

We cannot go back on the tax base and look for any type of funding, so we need assurances that the Ontario government will continue to fund our cultural and heritage programs.

The Chairman: Could I move on to Ms Bryden and Mr Reycraft? We have only a few minutes left.

Ms Bryden: I would like to compliment the presenters on a very excellent brief, which has brought very clearly to us the plight of the



Collingwood community and the Blue Mountain Foundation for the Arts. I have visited the Collingwood area on vacation and I know that it is a very vigorous and thriving community, but it has suffered some economic blows in recent years.

Concentrating on your recommendation, I think you have clearly pointed to the fact that you feel you have no protection under the proposed bill, Bill 119, and no protection against the erosion of cultural and recreation grants that have been coming, and there are no guidelines for the Treasurer or the government in the legislation. That is one of the things that many groups have told us: They want some protection and some guarantee that culture and recreation will continue to receive a substantial portion of lottery funds.

You will undoubtedly have studied section 9 of the original lottery act which says, "The net profits of the Corporation after provision for prizes and the payment of expenses shall be...available for the promotion and development of physical fitness, sports, recreational and cultural activities and facilities therefor." That is not earmarking legislation; it is guiding the allocation of funds out of a special fund which is derived not from taxes but from lotteries. I think there is absolutely no reason why we cannot, in Bill 119, set forth an allocation guideline which will not be considered spending government money but simply allocating the money from a very special fund.

You say that you believe that the legislation contravenes the spirit of the mandate under the Ontario Lottery Corporation Act to allocate the funds according to the guidelines there and to put it at the whim of the government. Do you feel that this has been happening in the recent past with some of the funds that have been brought in but not allocated to culture and recreation?

Mrs Lepa: This is our understanding.

Ms Bryden: So you want some guidelines put on that. I appreciate your point that small grants go much further than large grants because of all the volunteer components and because the community gets behind them. But if it is shifted to the municipal tax base instead of coming out of the lottery funds, as was originally decided, have you any indication from the municipality as to whether it feels it can absorb more cultural and recreational spending?

Mrs Lepa: No, I really do not. They have been very kind to us. As I said, in the last two years they have started to give us small grants. The first year it was \$1,000. In the past year, we got \$1,500. Unless the municipality is getting a special grant for the larger picture and it is cost-shared with the province, I do not think the municipality, particularly Collingwood—there just is not the tax base to absorb that kind of increase, because it is not just ourselves. There are other areas such as education and the museum. The tax base in the Collingwood township has increased about 17 per cent to 19 per cent because of the increase in education tax and there is a lot of stress being put on the taxpayer. As I said, a good percentage of the people in town have lost their industrial-type jobs, and the jobs left to them are in the service industry, and we know what they pay.

Ms Bryden: Do you think the Ontario Arts Council could pick up the difference?

The Chairman: I would like to give the third party a couple of minutes. Mrs Cunningham indicated that she wants to say something, and I welcome her to the committee. I do not want to be impolite on her first go-around here.

Mr Sterling: Could I just say something to correct Mr Reycraft in saying that the dedication of profits from the lottery never equalled the net profit? That is not true. In 1978-79 and in 1979-80, there was actually more expended than was taken in those two years, so they went into the previous years. That is contained in the brief to this committee by the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario.

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Mr Reycraft: If I may respond to that, Mr Sterling is being very selective in what he is saying. I think if he checks Hansard he will find that what I said was correct, that governments have never allocated all of the lottery profits to culture and recreation. It may have been true—it was true—that that did happen in certain specific years. However, even when that happened, there was still a so-called unallocated surplus that was not allocated.

Mr Sterling: From previous years.

Mr Reycraft: From previous years. What I was indicating was that over the years there has always been a net unallocated surplus in terms of lottery profits vis-à-vis dedications to culture and recreation.

The Chairman: I am sorry, Mrs Cunningham, we have used up the time and we have to go on to the next group. You are first on the list next time.

Mrs Cunningham: Just to add to the statement, though, this bill, you are quite correct, would mean that even less would be allocated and that less control would be—

Mr Faubert: Not so.

Mr Fleet: That is not true. It is not even remotely true.

Mrs Cunningham: It is the truth. You are quite right, and in fact, I commend you for what you are doing and I encourage you to make even a stronger lobby, because you will in fact get less money. Do not be intimidated by their comments.

The Chairman: Could I interject as the chair here, please? Gentlemen, I am going to be commenting a little later on your use of words in this committee. I do not want to hear words like "that is not true" and other things that are not according to the rules of the House. I do not want you to say that kind of stuff.

Mr Farnan: I wonder if the government and the third party could stop squabbling and we could have more time for the delegations.

The Chairman: I think that is an excellent suggestion and exactly the point I am making. I would like to thank this delegation very much. Our second delegation is also from Collingwood. I would like them to approach the presentation desks.

Mr Lipsett: It is a good thing he has a large cheek. He has his whole tongue in it.

Mr Fleet: On a point of order, Mr Chairman: Given your last comment, I want to put on the record—because this is the distinction, although I do

not think I contravened the normal rules of the Legislature—that if it bothers the chairman at all, I am quite prepared to substitute that the statements by Mrs Cunningham were not correct. I did not cast aspersions on her integrity. I do not think she took them that way from the way she reacted, but I want to assure the chairman that I support his decision.

Mrs Cunningham: I shall be making the statements over and over again, and Mr Fleet can continue to tell them, because we have checked our facts. I will read them into the record over and over again, and I hope the group from Collingwood will get my facts and take them home.

Mr Fleet: My point was simply not challenging your integrity.

The Chairman: Order.

Mrs Cunningham: I would not think so.

The Chairman: I want this diatribe back and forth to stop. Unless you are recognized by the chair, I would appreciate it if you would keep your comments to yourself, quietly. This is counterproductive.

Mr Farnan: (Inaudible)

Mr Faubert: He is not recognized.

The Chairman: Mr Farnan, I am looking at Mr Fleet at this moment because he was talking with Mrs Cunningham a lot. Mr Farnan just interjected again, you see. You all have to co-operate; that is, the three parties. I am talking to all of you.

I apologize, Brenda, for the interjection. The brief you gave us had two other persons listed here. This is Brenda Oziewicz. Brenda is the chief librarian of the Collingwood Public Library and will be talking to us on behalf of the Collingwood Public Library.

#### LEISURE SERVICES COUNCIL OF COLLINGWOOD

Mrs Oziewicz: Thank you. I was nervous, but I feel a lot better now.

The Chairman: Do not be nervous in this group.

Mrs Oziewicz: Thank you for giving me the opportunity to speak with you today about Bill 119. I am sure that as this draws to a close—now I am really sure—you will wish that you had designated less time for public hearings. This is such an important issue, however, that I am glad you have allowed so much public input.

As was said, I am Brenda Oziewicz, the chief librarian of Collingwood Public Library. I am here today with my colleagues representing the Leisure Services Council of Collingwood. Tracey Marsh is the curator of the Collingwood Museum and Bonnie Lloyd is the co-ordinator of the Collingwood and District Information Centre.

The leisure services council was made up of organizations in Collingwood that deliver services of a cultural, informational and recreational nature. The majority of us receive both municipal and provincial financial support. Our organization has been in existence for two years, with the mandate to work co-operatively to enhance the quality of life in Collingwood.



It would take over half an hour to briefly outline the many projects members of the leisure services council have accomplished and the benefits to the community as a result of special project grants supplied with funding through the lottery corporation. Suffice it to say that we live in a much better community with sophisticated and enhanced services because of this money.

The group as a whole felt that the issue that faces us is serious and important enough to bring a delegation here today to present the facts based on our experiences. We are quite concerned about the gradual erosion of provincial funding for culture and recreation this bill could trigger. We believe that the services we offer our community should be considered essential by the province and therefore have the priority they deserve for provincial allocations.

It is true that provincial support is a small portion of our total revenue, but it is a very necessary portion. Project grants keep us going and growing. Without them we would stagnate and our services would become quite ineffective.

Our municipal government is already overextended, considering the huge increases in taxes and the situation with provincial transfer payments and unconditional grants. It is not realistic to expect our council to pick up the tab for all the special projects we rely on to do our jobs well.

Our other alternative is fund-raising. Although we cannot easily afford to hire regular full-time staff for curatorial, informational and reference work, I feel we are very much unable to hire staff devoted to fund-raising.

We did not come here to tell you of our hardships but to make you aware of the dramatic impact Bill 119 will have on Collingwood. We do not consider ourselves optional, decorative or fringe. In fact, we served 179,024 people in 1988 alone. In a town of 12,000 we feel that this service is beyond a fringe.

We do, however, consider ourselves at risk with the review of the community information centres, their unstable funding for operating, the tight guidelines the museum has to follow and the increasing demand for services at the library without increased money to meet those demands. The three of us together have grown over 70 per cent in the last four years. We have not received a 70 per cent increase in funding. Bill 119 increases that risk to the point where we feel in jeopardy of our existence.

We are in constant competition for the ever-decreasing dollar. We compete with the health care system on a day-to-day basis. Health care needs are ever-present in our community, like every community. Our service clubs and other supportive organizations are inundated by their requests. The erosion of provincial support in the past 10 years has forced us to compete in that market. It is a market in which we cannot compete.

Bill 119 places us in an untenable situation by making us compete with health care at the provincial level as well. Although we will not be directly involved in the disbursement of lottery funds, when the administrators of this money are forced to make a decision between the enormous health care debt and a new building for the Collingwood Museum, we know who will get the money.

We do not feel that this is an overreaction to the bill. We have believed Mr Nixon's words that culture will be protected under this legislation. Our concern lies with future treasurers. Will they all share this

commitment to culture? When Mr Nixon leaves, all that remains is the legislation and it does not protect support for culture.

Erosion of the funding for culture and recreation is already evident in all of our organizations in Collingwood. It took 18 months for a \$12,000 internship grant to be processed for the museum. That caused many extra hours of staff time, paperwork, and explanations at the municipal level. That money, by the way, was for a salary for a full-time one-year position.

Project grants last year for the library were reduced by 25 per cent, after the applications had been made and we waited over five months for word of their status. Organizations such as ours are hard-pressed to find 25 per cent additional funding at the last minute. What is most disturbing, however, is not the fact that there has never been enough money for projects such as ours but that there has been an excess of funds accumulating and held back from us. Now there are millions of dollars and a desire to divert this perceived-to-be-unneeded money into the health care system.

I understand that 85 per cent of the profits from the Ontario-based lotteries were used for recreational and cultural organizations in 1988. If we had been given 100 per cent of that money it would have been spent on very worthwhile projects, projects that were denied because of lack of funding, not worthiness.

The point I am trying to make is that the excess funds are only there because we were not allowed to spend them. I cannot offer you a solution to this dilemma. I realize we cannot hope to claim the surplus that has accumulated, although I do like Mr Farnan's suggestion of a trust fund. However, I do know that culture and recreational organizations involved need 100 per cent of the lottery profits annually.

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The only reason that spending these funds has been limited in the past is because they have not been accessible to us. Whether that be an advocacy problem at the ministry level or allocations at the government level, I am not sure, but they have not been accessible.

We could make good use of this money if we were given the chance. The automation program for small libraries grant program is a case in point. Our situation at Collingwood Public Library with this grant program gives me firsthand experience of how desperately the money is needed. We were denied funding to automate our library at the last minute, after a guarantee was given by our municipality to match costs, and we waited for months. A great deal of tax dollars had been spent in preparation, only to be turned down. With the last budget, the government recognized the need of the 17 libraries that were refused by bailing out the Ministry of Culture and Communications; \$1 million was added to this fund.

I repeat my earlier inquiry. Will the next Treasurer care enough to bail the ministry out again should a similar situation occur? Will there be emergency funding once Bill 119 is in place and the erosion of our services begins? An example of this is our community information centre. It has been funded at decreasing constant dollars for the last four years. It stabilized through special project grants. Reducing those project grants could be devastating.

I read quotes from government officials involved with this bill that the



community is misinformed about this legislation and thus overreacting to the possible consequences. Our committee does not agree. Unless there is a guarantee of funds for cultural activities in Ontario, there will be an erosion until all provincial funds for culture and recreation have slipped away. We believe that the provincial government is quite proud of the cultural and recreational heritage it has created through institutions like the Royal Ontario Museum, the Art Gallery of Ontario, public libraries, local museums, community information centres, arenas, and arts organizations.

We also believe that the province has a responsibility to continue with that heritage at an increasing level of funding. Our quality of life depends on it.

If you decide to pass Bill 119, we hope that you have considered alternative methods of funding to guarantee the ongoing essential services provided by culture and recreational organizations in Ontario. Thank you.

The Chairman: Thank you very much for an excellent presentation. Because I chopped her off at the last, I would like to recognize Mrs Cunningham first.

Mrs Cunningham: First, thanks for coming before the committee; your group I am familiar with. At the bottom of page 5, you say that 85 per cent of the profits from Ontario-based lotteries were used by recreation and cultural organizations in 1988. I am wondering where you went to get your figure.

Mrs Oziewicz: The Ontario Library Association.

Mrs Cunningham: I am assuming you looked at the lottery and grants revenue.

Mrs Oziewicz: Yes.

Mrs Cunningham: And you got the 1988 number. Okay. Is your argument, therefore, that if the other 15 per cent had been allocated, you would at least have been in a better position?

Mrs Oziewicz: Yes.

Mrs Cunningham: I am not sure what the government representatives will do with your argument or how they will describe it—I obviously will not get any more time. I think that should be your basic concern, and that you should be looking for probably not an assurance from the government that you will get at least the amount of money you have had in the past but that you would get more. You should not be coming saying less than that. I applaud you for the efforts that you are all making. I will be interested in seeing how the government members argue that point, if they choose to at all.

Mr Reycraft: I would like to make it clear at the outset that I am not here to argue with anybody. I am here to listen to the public and to ask some questions to get additional information that we can use in determining the final shape and final destiny of this bill.

I want to ask about the impact of the bill as I think you have expressed it. Essentially your position is that the bill will result in an erosion of provincial support for culture and recreation.

Mrs Oziewicz: Yes.



Mr Reycraft: Were you present in the room when the first group made its presentation this morning?

Mrs Oziewicz: Yes.

Mr Reycraft: I will not repeat what I said to them. Given that situation, the way the existing Ontario Lottery Corporation Act has been interpreted and implemented by governments over the past 14 years, is it therefore not true that in reality culture and recreation have been in competition with health, education, social services and every other application of provincial government spending over the last 14 years?

Mrs Oziewicz: I would say it is true. It has not been quite as blatant, but it is true.

Mr Reycraft: In reality, only a portion of the total lottery profits, the accumulated lottery profits, have ever been allocated to culture and recreation and the other moneys have been allocated to other areas. If that is true, why do you believe that Bill 119 represents a greater threat to culture and recreation?

Mrs Oziewicz: From what I understand, and I have read the acts, with health care being written into Bill 119, as soon as you pit culture and recreation against health care, there is no competition. Even the most committed of culture and recreation people, such as myself, cannot argue against a cancer clinic somewhere, or putting more money into Princess Margaret Hospital so people do not have to travel to Vancouver to receive health care.

I guess the thing that disturbs me the most, personally, is purposely taking money away from culture and recreation towards health care with nothing in the legislation to guarantee that culture will continue at the level of that or increase.

Mr Reycraft: My view is that the reality is that that competition has been there for a long time, and despite the pressure that the government has been under for more funds for health and education and other areas, it has still made a significant increase in the overall contribution to culture and recreation in the province.

We received some information from legislative research this morning that indicates the total funding of the three ministries involved in culture and recreation in the province, and this is minus administration costs, has increased in the last five years from \$362 million to \$454 million in this year's estimates. That is a very significant increase. It averages out to 8.8 per cent over that 1984-85 base. The increase in this year's budget over last is \$70 million; that is an increase of 15.4 per cent. I think that speaks to the importance we attach to culture and recreation in the province and I do not think there is a need for the concern that you and others have expressed.

Mrs Oziewicz: If per chance the erosion does happen and we are left holding the bag in Collingwood and we have to search for other funds and we had not come here today to express our concern, we would not have a leg to stand on to come back to you and say: "Listen, the money is gone. We need money. We have to have money in order to offer any services."

We serve over 125,000 people annually in the library alone. Without the meagre \$40,000 we get from the province, plus about \$16,000 in special project

grants, we could not do that; and unless we make ourselves heard here today and you really listen to our concerns, we will lose. There is no way to compete with health care.

Mr Reycraft: That is a good point. I agree with you that culture and recreation are as important as you say. They are not only as important as health care and education, they really are an integral part of those services.

Mrs Oziewicz: It is. You are right: healthy mind, healthy body.

Mr Reycraft: That is why the funding has been increased over the last several years for those programs.

Mrs Oziewicz: Sam Neill, a professor at the University of Western Ontario library school, did some research, as well, on provincial funding. His statistics—and statistics can be manipulated, depending on what you want them to say—prove that funding has decreased in constant dollar value over the last six or seven years. Unfortunately, I did not bring his statistics with me today, but I certainly can send them to the committee to have a look at.

Mr Reycraft: I would like to have a look at those.

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Ms Bryden: I appreciate very much your well-documented picture of the erosion of government grants for culture and recreation, and leisure, library and museum services in the Collingwood area. Also, I think your documentation of the frustrations of the grant applications—long delays in processing, sometimes significant reductions in the funding for a specific program, which means you have to find the additional amount quickly, all of these have been documented. But I think your main point is that without some sort of dedicated funding from the lotteries, you are in a competitive market for different needs in these fields, and different provincial needs in the larger fields, that leaves you at a disadvantage.

Do you see any alternatives beyond a dedicated fair share of the six lottery funds operated by Ontario that may enable you to overcome some of this erosion? Do you see any alternatives other than a dedicated allocation for a fair share of the six lotteries?

Mrs Oziewicz: Truthfully, I grappled with that quite a bit. I have been working on this for what feels like several years, but I am sure it is only several months, and I cannot come up with a solution to this dilemma personally, myself, to hand to you. I think I said that in here.

Our alternative at the municipal level is to ask our municipal council for more money. Our increase in taxes last year alone was 13.2 per cent at the municipal level, and we did quite well in that budgeting process. We received a 10 per cent increase in our budget, which was phenomenal in comparison to other departments. That huge 10 per cent increase was less than \$40,000 and it supported a full-time staff person as well as some additional services.

Fund-raising is all well and good, and we can talk about fund-raising until the cows come home. However, it takes a lot of expertise, a lot of time and a lot of money to do effective fund-raising, especially in a community of 12,000 population. The hospital in our community has done a major fund-raising campaign lately, the Young Men's Christian Association has done a major fund-raising campaign lately, and the townspeople do not want to hear any more



about fund-raising, probably not for a good five years. They have been drained.

So unless you can come up with another magic pot that we can all share and take digs at, I have no solution for you. I do not know how to solve this. I do know we should not be placed in a position where we have to compete with health care at every level.

Ms Bryden: Do you not feel that the original intent of operating lotteries in this province and justifying their operation has been departed from by Bill 119, which does not provide any dedicated amounts for culture and recreation?

Mrs Oziewicz: Yes. If I understood the question, yes.

Ms Bryden: You feel, in other words, that the public has been betrayed from the original promise of the distribution of lottery funds.

Mrs Oziewicz: Yes. Not only the public but those people in culture and recreation who try to serve the public with not enough dollars to do a good job in the first place.

Mr Faubert: Thank you for coming today. I think you not only make a good case for the Leisure Services Council of Collingwood, and indeed you support the Blue Mountain Foundation for the Arts in its position, but you also make a case for increased funding for the arts. I think that is a good case you are making and that all groups that have come before us have made. You can take some assurance and comfort in that. That is going to be heard.

Mrs Oziewicz: Thank you.

Mr Faubert: One point I would like to just put forward here is that you talk about Bill 119 in terms of what happens: How does the Treasurer have a commitment in Bill 119? Indeed, how do future treasurers have a commitment?

I would just like to point to the analysis of the bill by our committee researcher, which is independent research. It is an opinion also supported by legislative counsel. It states very clearly that there is a prioritization in Bill 119 and it appears there because of the way it is written; that is, it is put out in three sections:

"(a) the promotion and development of physical fitness, sports, recreation and cultural activities and facilities therefor;

"(b) the activities of the Ontario Trillium Foundation; and

"(c) the operation of hospitals."

But the operation of hospitals, in the context, as they analyse this saying: "The section, however, does not treat these purposes in the same way. This section does not state that the net profits must be paid into the consolidated revenue fund to be available for appropriation for purposes (a), (b) and (c)." It says for only (a) and (b), and then (c) is treated quite differently. There is clearly a prioritization in the bill, and it is understood by any analysis of the bill that the prioritization lies with the recreation and cultural services. That is the way it is understood, and that is the legal interpretation of that bill.

Mrs Oziewicz: Can that prioritization not change with regulation, given a new administration?



Mr Faubert: There is some discretion, and I think that is what you are talking about, the discretionary aspects in how the Treasurer allocates. But I think the perception out there is that somehow this bill is going to throw you into competition in a general fund with hospital funding.

I wanted to point out the one last thing that is said by the researcher. It says prioritization in terms of net profit—you have to understand that (a) and (b) only have the call on that; (c), which is hospitals, will only have a call after the allocations of (a) and (b), and that is at the end of the fiscal year. It is clear that the intent of the bill is that (a) and (b) have the call on the dollars. If that is of some comfort to you, that is the government's interpretation of it. That is the only explanation I can give you at this point.

Mr Farnan: I want to commend you on what I think is a splendid brief. There are some great lines in it. You must have had some fun putting it together. Particularly I like the way you captured the whole issue when you said, "When the administrators of this money are forced to make a decision between the enormous health care debt and a new building for the Collingwood Museum, we know who will get the money." Everybody knows who will get the money.

There is one clarification I would like to make about your presentation. I think there is an inaccuracy. On page 5 in the second paragraph from the bottom, you are suggesting, "There have been excess funds accumulating," and, "There has never been enough money for projects." You say, "Now there are millions of dollars"—available, I presume—"and a desire to divert this perceived-to-be-unneeded money to the health care system."

The reality of the matter is that a lot of people do believe there is a closet somewhere where all this money is. That money does not exist any more. The government has agreed that it has spent the money. The sports, cultural and recreation groups are saying that what the government did was spend the money that was allocated and designated to culture and recreation. That brings me to your point on page 6, where you say: "I cannot offer you a solution to this dilemma. I realize we cannot hope to claim the surplus that has accumulated."

Many in culture and recreation feel that if that money was designated, it belongs to culture and recreation. That is why New Democrats have put forward the motion. If the money was taken away from culture and recreation and put into consolidated revenue and used for whatever purpose by the government, then the government has a responsibility to put that money back if it is to live up to its commitment and the covenant it made with culture and recreation.

It is a splendid brief. There are so many things I would like to comment on. I think you are a delightful person, in the sense that I found that this was a very tough brief but you wore a pair of velvet gloves as you presented it.

Mrs Oziewicz: You should have seen my first draft.

The Chairman: I echo the final comments. It was a very impressive presentation.

Mr Farnan: I loved your line, "Are you listening?"

The Chairman: Our third presentation this morning is on behalf of the Paragon theatre. Mallory Gilbert and Philip Green will be making that presentation.

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# TARRAGON THEATRE

Mr Green: Good morning, Mr Chairman. One small correction: our theatre is called the Tarragon Theatre—

The Chairman: What did I say: paragon? Sorry.

Mr Green: —but we appreciate the mistake. As you know, the word "paragon" means model of perfection. Tarragon, as you know, is a spice to increase the taste. That is why we picked "tarragon."

My colleague, Mallory Gilbert, will be giving most of the presentation. I would like to say one thing only. My father was on the staff of the Toronto General Hospital for 30 years, so I am not unfamiliar with problems that occur in hospitals. I would wonder how many members of this committee were familiar with health costs and health care in England from 1585 to 1616. I would imagine that not too many of you would be familiar, but I am sure all of you know the plays William Shakespeare wrote in that period of time. I give you Mallory Gilbert.

The Chairman: That is an excellent point. It has never been made in the last three weeks.

Ms Gilbert: I am sure. I am the general manager of Tarragon, and as well I am the chairman of the Professional Association of Canadian Theatres. At this point I am sure there is no argument you have not heard, but I do think it is vital that as many people as possible make known to you the importance of our cause.

I represent a well-established, small theatre in Toronto that was founded in what we now call the glorious or the golden 1970s. As I remember, we did not call it that in 1971 when we founded the Tarragon, but history has a way of reordering the facts.

We have been very lucky in that we have occupied our building for over 19 years, gradually taking over more and more space and finally in 1987 buying it with the help of a grant from the Department of Multiculturalism and Citizenship. We are one of the success stories. We produce new Canadian plays, and until the last few years we have never had a deficit. How do we do it? We only have 200 seats in what we call our large theatre and 95 seats in our small space. Our ticket prices are still reasonable, \$8 to \$16, and we continue a policy which we initiated in 1971, which is a weekly pay-what-you-can performance every Sunday.

The Tarragon has proved itself to be a fabulous training ground for young, inexperienced people who get to work with the best actors, designers and directors in the country. No one gets rich at the Tarragon, and no one gets greedy. You work there because you are passionate about new plays. In 1989, all this is in jeopardy. It is not only Bill 119 that threatens us, it is the fact of a changing society, one that, despite all the rhetoric, cares less about the health of the spirit than ever before. In Toronto the effect is heightened. We can turn Toronto into a world-class city, but if we are not careful we will also destroy it. We can be proud of our world-class entertainment, the National Ballet of Canada, the Canadian Opera Company, the



Toronto Symphony Orchestra, the commercial theatre, but we must not neglect the hundreds of smaller arts groups, not to mention the individual artists, who feed into these high-profile institutions.

It is the mix that creates the excitement, even if it is The Phantom of the Opera that grabs the spotlight. This is our dilemma. The large commercial theatrical venture, with its \$20-million advance sales, can make the public forget that the rest of the arts are starving. We have become so hardened to the spectacular rise, and in some cases the subsequent fall, of superstars, whether in business or the arts, that we give no thought to the majority who hang on for dear life. Those of us who constitute the majority have become masters in the art of making do.

In our theatre, a middle-sized theatre, we produce nine plays over the course of a season, we carry a staff of 20 people full-time, we hire over 100 freelance artists in a season, we run a teaching studio, and all of this on a budget of just over \$1 million. The smaller groups exist on far, far less.

Before I came, I looked over the long list of Wintario grants that Tarragon has received since 1976. They range from the very small sum needed to send an inexperienced person to a Banff Centre seminar to larger grants for sound and lighting equipment. We have had money for audience development, for fund-raising brochures, for a promotional film and for our performing arts fair.

These grants total approximately \$60,000 over that period. We have received another \$60,000 from the ministry for international touring, \$130,000 for renovation four times to our theatre, and finally the glorious sum of \$575,000 to help us purchase our building.

I can honestly say that not a penny of that money has been wasted. The seminars were as crucial in their own way as the money to buy the building. The opportunity to tap into the fund for what we have now come to call the extras is a wonderful thing. Unfortunately, we have become hardened and no longer flinch when we hear that another program has been temporarily suspended or cut, and this is happening more and more.

It takes the enormity of Bill 119 to make us rise up. It is the fact that our money, whether we have held it in our hands or not, is being taken away. We are watching our colleagues give up, go under, go away, and now we are being told that money that was promised to us will not be forthcoming. Even the most abject among us feels anger. Yet most of us support the position of the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario, a position that is a model of reasonableness.

To ask for only the interest on the \$400 million owing to us from the interprovincial lotteries is politeness itself. To suggest that we would be satisfied with one third of the future profits of all six lotteries is more than fair.

We have found in the past that the press and the public take more notice of you if you shout and stamp your feet. None the less, the leaders of the alliance have chosen to take a much more quiet approach. They have argued their case with intelligence and conviction. Those of us who support them hope with all our hearts that you people in this committee hear the passion and the desperation behind the polite words.

We are living in very troubled times and we need the artists among us to



speak out about these troubles. If we choke them off now, we will find that we are living in a much less desirable world without them.

Ms Bryden: Thank you very much, Ms Gilbert, for your very effective presentation. I understand you are speaking not just for Tarragon—although I know it is a very important theatre and I have attended many of your plays—but for all the so-called little theatres that are struggling to continue in the face of the huge commercial theatres and the biggies of ballet and opera. I think you have made the case that it is a very important part of our theatrical scene.

Of the grants you have received that you have enumerated for us, how many of them have come directly from the lottery funds?

Ms Gilbert: Most of the small, extra grants are the ones that come from the lottery funds. This is the fund we tap into on a regular basis for the things we cannot afford from our normal operating budget, but those things are none the less important for that.

Ms Bryden: Of the other little theatres you know of, I guess most of them have also tapped in for small amounts, but they are still operating—

Ms Gilbert: Absolutely. The ceiling is not enormous, as you know, in the ministry's budget for these grants, but they can come almost every year or every other year. It means you can do that project that you could not do otherwise.

Ms Bryden: So you feel that Bill 119 will make that source of funds uncertain and you are supporting the Alliance position for a share of the money from the six lotteries to be dedicated to culture and recreation, not a fund but an allocation into which you might tap.

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Mrs Gilbert: I think the Alliance position is one of the more intelligent, reasonable approaches to take. I think there are many people who look at this bill and can get very angry. They can get either very cynical or very extreme in their point of view. I think the thing about the Alliance point is that they have taken a realistic look at the problem. They are not foolish. They are not trying to suggest that there is not a problem, but I think they are coming up with a solution that would, if you will, save face and also keep us afloat at a time when that is becoming more and more of an issue.

Ms Bryden: I think you are doing a real service to all little theatres in the area—the word is not "little," but the smaller theatres in the whole area—by appearing on behalf of that proposal. Thank you.

Mrs Cunningham: I would like to thank you sincerely for a wonderful presentation coming obviously from the heart, and also for the plea that you made on behalf of others. Some of us recognize that you have been somewhat more successful than others, but I think it is great that you have come to support them.

I really wanted to make an observation, Mr Chairman, because I sense that the opening remarks were directed towards the tie-in to health. I just wanted to let you know that this is not the first time that the government, as you know, has tried to change the Ontario Lottery Corporation Act; in fact, in

1986, when it tried with Bill 38, the only difference was that they did not tie it to health, which of course makes for public sympathy out there; for health care.

Just for you in your lobby, I should tell you that it is all of the money that was allocated from the profits in 1986-87; the last year the corporation was audited, I think the profits were about \$187 million. If all of it were allocated to health and none was given for the purpose for which it was gathered, it would be less than 1 per cent of the operating budget for health care. That is just to let you know that we are looking at probably 10 per cent. If we put this thing in reality, we are probably looking at less than 0.02 per cent that would go to the health care budget, but the public has been made more sympathetic to this bill because of that particular fact. I just wanted to give you more ammunition, because I obviously am very much against this legislation.

Mr Fleet: I found your presentation very interesting and helpful. You made some references to a perception that this committee has heard quite a bit. You talked about it being "our money" and "promised to us." What is different about your group from some of the other cultural groups is that you were around before the bill was introduced. I will not go into all of the details, but—

Mrs Cunningham: Before the corporation was established; these people have been around for 10 years before the Ontario Lottery Corp.

Mr Fleet: That is my point. They have been around a long time.

Mrs Cunningham: When you said the bill—I have history, too. But when you said the bill, I just wanted to—

Mr Fleet: Before the original act is what I was referring to. There has been a lot of discussion at the committee by both witnesses and members of the committee about what was or was not the intention of the government of the day when the bill was created and its practice after that.

The original legislation simply does not provide dedicated funds to be spent only on culture and recreation. It just does not do that. What it does say is that funds go to the consolidated revenue fund, the general money pot of the government, to be made available. In fact, the practice of the government of the day, whichever government it has been, has been consistently not to spend all of the accumulated funds, what was called a notional surplus. In other words, they spent some money on culture and recreation and they spent some money elsewhere. In fact, I understand that when the legislation was first dealt with, the Conservatives and the New Democrats of the day defeated an amendment proposal that would have dedicated 100 per cent of the funds. They chose at that time not to do that.

It would appear that, at least within the confines of the Legislature, they have said they did not intend to dedicate all of the money. Yet you are saying quite firmly that you had a sense that it was "our money."

I am very interested. Were there any representations made, either directly to your group or to a related organization, that would have led you to some conclusion other than what the legislation itself says?

Ms Gilbert: Do you mean recently?



Mr Fleet: No, I mean at any time, when the act was passed or shortly after it was first passed.

Mr Green: I am sure you would realize that we do not study the legislation quite the way you do, but I think it was when it was announced originally; it was for "culture and recreation" are the words the newspapers talked of and everybody else talked about. I never saw that there was a lottery—for-a-hospital bill when it was originally started, but I do not study the legislation as closely as you do.

Mr Fleet: On what basis, other than a general impression, were you making references to a promise to—

Mr Green: General impression, just as the media reported the lotteries were started for culture and recreation. That is what we believed it was going for. The minister of culture announced it many years ago. It was not the Minister of Health who said, "I've got something that's going to fund hospitals." That is our perception.

Ms Gilbert: Can I ask a sort of counterquestion? If in fact there has always been this confusion or ambiguity about where the profits from the lottery go and in fact you have spent them on hospitals in the past, where does the feeling come from that you must now change the bill and change the act to specifically include hospitals?

Mr Fleet: That is an excellent question. Although we do not normally get questions from the witnesses, I am delighted to be able to respond to that one.

The simple reality of the matter is that we think the people of Ontario deserve forthright legislation that says what is going on. The concern—and I realize that your group and many, many others have this concern that this bill portends a cut in funding—is not a reflection of what the bill actually says. All the bill does is regularize the actual practice of the government since the bill has been created. The reality is that the competition with hospitals or with education or whatever other category you care to name has always gone on for practical purposes.

The wording of the bill as it currently stands, in our view, is not very good, because there has been a difference of understanding, certainly among groups, on what the legislation actually said. In fact, and we have gotten some information today from the research officer, the spending under the current Liberal government has gone up, on average, about 8.8 per cent a year in terms of both the lottery funds and other government funds on programs, not counting the ministry administration, and that has been an average of just over \$32 million a year for the last five years, so the spending in the area of culture and recreation by this government has gone up more, it has gone up almost \$70 million this year when the lottery funds are only projected to go up \$15 million this year.

There has not necessarily been a correlation between the lottery funds and government spending in terms of how much each has increased in a given year, and all of those things will continue. The government's commitment to culture and recreation will go on quite apart from this bill. This bill does not affect that process of the budget at all.

Mr Green: You understand that there is some worry from people who are—



Mr Fleet: We understand very well.

Mr Callahan: Oh, yes. We know where you are coming from.

Mr Green: We all know that everybody goes to Bob Nixon's door, and if you are in Health and you are in Culture, we think that Health gets the nod, as Housing will get the nod, and we are really worried that we are giving up something that had been promised to us.

Mr Fleet: We understand the concern. That is why I asked the earlier question: Where did you get that impression? I thought you might have had some specific letter sent to you or something like that, and I would have been interested in that.

Mr Green: I wish we had.

Mr Fleet: No other group has brought forward anything to us. I just thought because of the longevity of your group and the number of applications you have been familiar with—

The Chairman: It must be very germane. I have three people who want to comment on the questions that have been going back and forth.

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Mr Callahan: Just very quickly, if the government had pulled Bill 119, under the existing bill this government of today and the government of the past, the Conservative government, could have spent that money on anything. They could have bought Minaki Lodge with it, they could have bought Suncor, they could have done a whole host of things, which I am sure they did.

Mr Fleet: They did, yes.

Mr Callahan: What Bill 119 does is say—and we have got this from our research officer who is not in this political forum; she serves all of us—that subsections (a) and (b) in the bill, which is culture, recreation and sports, and the Ontario Trillium Foundation get the first crack at the money. If at the end of the fiscal year—in other words, 31 March of whatever year—there is any money left over, that will be distributed to health. So you have a far clearer situation than you did under section 9 of the present act introduced by the Conservative government.

Mr Green: What is first crack? I do not understand. Do they get all the funds?

Mr Callahan: All of the funds are there to be used specifically for (a) and (b)—and (a) and (b) are sports, culture and recreation—and the Trillium Foundation. Then, if you go down further, the bill reads that if there is a surplus—and we have been told that would be at the end of the fiscal year, not at the beginning, not in the middle; all those moneys are available before that for appropriation for sports, culture and recreation—that surplus goes to hospital operation.

Mr Green: But what if you do not allocate the money? Would there be a surplus?

Mr Fleet: Same as the current legislation.

Mr Callahan: I guess that is a statement that has been made by some of the opposition members, but I would say this to you, that if the Treasurer allocated \$1 to sports, culture and recreation to keep the big bundle down at the end for hospitals, he would be blown out of the water quickly, probably by his own members. The track record of this government thus far, since 1985, has not demonstrated a reduction in the amount given to sports, culture and recreation. There has actually been an increase of 9.6 per cent per year.

Ms Gilbert: Can I just ask one question that is really confusing to me? Are you both saying that the original bill did not dedicate the net profits of the lottery proceeds to culture and recreation?

Mr Callahan: No. If you read section 9—

Mr Fleet: It uses the words "to be available."

Mr Callahan: I can be available for anything.

Ms Gilbert: So you are saying there is absolutely no promise of any moneys going to—

Mr Callahan: No. The ticket suckered you, though, because it had skiers on it and all the rest of it.

Mr Fleet: We cannot say what a minister said to you. When you say there is no promise, I do not know what a minister may have said to you. That is different.

Ms Gilbert: I find that very hard to accept.

The Chairman: Could I interject for a moment? The way the government works is that all of the revenue goes into the consolidated revenue fund to be made available. It is a budgetary process, so any year the budget could strike out or add to. This is without exception, I understand. There are monitoring groups to make sure there are moneys going in, appropriate amounts in various areas. But as far as I am aware, all of the money goes into the consolidated revenue fund to be available for expenditures, but it is a budgetary expenditure by ministry.

Mrs Cunningham: I totally disagree with what is being said, and I think that the advice you got before you came here was probably good advice. I would suggest you get the Hansards and look back. This section 9, which is the only part of the bill we are looking at, section 9 of the Ontario Lottery Corporation Act, the administration of funds, is the section that was "available for the promotion and development of physical fitness, sports, recreation and cultural activities and facilities therefor." That was the fund that came—

Mr Faubert: Read the original bill.

Mrs Cunningham: I am reading from the original bill.

Interjections.

Mrs Cunningham: Mr Chairman, can I finish? This will go in Hansard, and I want you to pick it up. If I am wrong, I will be the first one to be corrected.

I am reading from the briefing notes of both the government and our own party now, at least the ones that were made available to me in whichever way I can get things these days. "To be available for"—quite right. The Liberal members have said that we have not spent all of the money that was available for fitness, sports, recreation. The reason we have this bill is because the government has no power to do anything with the excess money. It is that simple.

This bill gives the government two powers. First of all, they can put more of the money into the Ontario Trillium Foundation, which no one seems to be arguing about. The second one is the excess money can go into the general revenue fund, as did all of the interprovincial lottery money, but not the lotteries that have been collected for the purpose of physical fitness, sports, recreation, cultural activities and facilities.

To be fair to the government members when they corrected me on "to be available for the promotion of," you are quite right. You came here and said it was available "for the promotion of" and they did not spend it. They now need to make a law so that they can put it into the general revenue fund. Otherwise, it just sits there, because the law says you cannot spend it on anything else, including general revenue.

Mr Fleet: That is not what it says.

Mrs Cunningham: One third of the money that is collected in lotteries right now is collected on these three lotteries, and that is the money for culture, recreation and sports. The other money can be spent elsewhere. If you want that one, in 1986—because I have done my homework. This is the other part that everybody is confusing, the two thirds. I am not being specific in my numbers, I am trying to be general.

In 1986, the Liberals changed the policy for the other part of the corporations act, not section 9 that we are talking about now, and now proceeds from interprovincial games are simply paid into the consolidated revenue fund, with no specific provisions attached to their allocation. But for that part, the original intent was this: to support health and environmentally related health research, hospital building and equipment, senior citizen housing and the Ontario Trillium Foundation.

So originally that money was going to health. What they did in 1986, and they changed it in 1986, was to take that money and put it into the general revenue fund. Now what they are trying to do is take the other part, and what they do not spend, they want to put into health. That is the statement that was made to me when I asked, and I wrote it down.

Mr Fleet: Asked who?

Mrs Cunningham: If I am getting incorrect information, I would like to be corrected.

Mr Callahan: The Attorney General (Mr Scott) decided that the lottery funds covered all of them, interprovincial as well as intraprovincial.

Mr Fleet: She is quoting a document without showing us what it is.

Mrs Cunningham: It is in Hansard. If you do not like what I said, argue it.



Mr Fleet: I cannot tell what you are quoting from.

The Chairman: Could we have a copy of the document?

Mrs Cunningham: Sure, you can have a copy.

The Chairman: You are reading piecemeal from something we have not had a—

Mrs Cunningham: Why should you get my briefing notes?

Mr Callahan: We give you ours.

The Chairman: The reason is that you asked me to make some comment on them and I have not seen them.

Mrs Cunningham: I am not asking for comment today. What I said was, I read it into Hansard. If I am incorrect, I would be happy to have it corrected. I am sure you would want me to be corrected. The point is, that is the information we got when we did our homework. We do not have a great research staff like you do, and all these backup people. If you get different advice, fine. I do not expect you to respond to it today. I will be saying over and over again and you can respond to any witness you like at any time if I am incorrect.

The Chairman: My job, as the chair, is not to respond one way or the other, really.

Mrs Cunningham: Well, you are, because the witnesses have come before the committee with my interpretation. The government has said I am incorrect. Prove it.

Mr Fleet: I would like to raise a point of order with respect to this particular item. My understanding is that when a member quotes from a document, other members are entitled to have that document tabled. I may be wrong about that, but that is my understanding.

Mrs Cunningham: It is a good rule, but it does not exist.

Mr Fleet: No, I think that is correct. None the less, even if it is not, my point is simply that it is impossible to respond to quotations from, as far as we know, an incorrect understanding of the facts. I invite the member to provide us with the document.

The Chairman: I am accepting the notation here by Mr Fleet, but I still have two more people and I have two minutes.

Mr Green: We are just saying goodbye and thank you for the opportunity. We hope that all the committee members will make the money available.

The Chairman: Thank you very much.

Ms Bryden: I want to comment on Mr Fleet's comment, since other members were making supplementary comments.

The Chairman: I would like to recognize Ms Bryden for one minute.

Ms Bryden: The member for High Park did say that the bill simply regularizes the actual practice of the government which has been going on ever since, in particular, the new lotteries were founded. It seems to me by making that statement he admits that the government practice in recent years was irregular. It was not governed by the lottery legislation that was on the books.

Therefore, there is some need, possibly, for a clarification, but there was no particular need to repeal section 9 of the original lotteries act, because it did not apply just to Ontario lotteries. It just said the operations of the lottery corporation would go into the consolidated revenue fund "to be available." That is, I maintain, a dedication of lottery funds from any lottery to recreation and culture. That is the point we are really trying to make, that the dedication should remain, that section 9 should not be repealed and that all lottery proceeds should still remain dedicated, unless we have different legislation than Bill 119.

1150

The Chairman: Thank you for your comment. I would like to make a comment before I call the final witness of this morning. I think we are talking a lot about things that should be discussed in the clause-by-clause we are going to on Thursday afternoon. Since yesterday in Ottawa, when we ran into a little difficulty of the same type, I have sought counsel on procedure here. The committee as a group has approved a certain procedure here and our number one priority ought to be to graciously receive our presenters and keep them in mind. For the record, I am a little bit embarrassed that a group would get up and leave because of the diatribe going back and forth among the committee members, because that is exactly what just happened.

Mr Farnan: Between the government and the third party, I would point out, Mr Chairman, and not the New Democrats.

Mr Sola: Okay, Mr Sanctimonious.

The Chairman: As chairman, I do not think anybody can point at anybody from a self-righteous point of view and be exonerated in this procedure.

Mr Farnan: There was no diatribe that took place from the New Democrats.

The Chairman: In this particular instance.

Mr Sola: There was in Ottawa.

The Chairman: I think we are proving the point, again, that I am trying to make. I am calling the fourth and final witness of the morning and he is for the Solar Stage Theatre. He is Anthony Schatzky and he is the general manager of that group.

#### SOLAR STAGE THEATRE

Mr Schatzky: That is right. I am the general manager of Solar Stage Theatre. Thank you for allowing me to speak. I hope to take up only about three minutes of your time.

First, a very brief history and description of the company: Solar Stage is a professional theatre company located in downtown North York. We have just begun our 11th season of lunchtime shows and this year we are offering evening shows as well. Our shows are all in a one-act, 40-minute format to accommodate lunchtime crowds. We are the only theatre in eastern Canada that offers a full season of one-act plays. Due to the length of our performances and the fact that we are mainly a lunchtime theatre, we tend to attract first-time theatre goers. We introduce theatre to new patrons. We feel what we offer the general public is important and worth while. We bring theatre to our neighbourhood in an accessible way and at an accessible time.

Now to the subject at hand. No one can argue that a health care system needs funds. No one can argue that lotteries are a very good way to raise funds for hospitals and health care facilities. However, the arts are an integral part of a healthy society. We contribute to the cultural health of our community. The arts are needed to feed the soul and keep us healthy in a spiritual and creative sense.

Clearly, lottery funds were dedicated to the arts, sports and recreation at the inception of the lottery program. I just want to part from my written text here briefly to mention a little anecdote. I recall that 10 years ago or whatever it was all Wintario tickets had illustrations on them. Local artists were hired to do these illustrations. They all had to do with the arts, culture, sports, recreation. Whatever the bill says, and I am not going to try to argue that—that was obviously argued earlier—the impression was, by all in the arts community and in the community at large, that at least the Wintario funds were dedicated to the arts.

Many of us in the arts community have budgeted, relied on and counted upon the money that was promised from 1975 on. Long-term planning has always included the use of the programs made available by lottery funds. We feel that since, historically, money was dedicated to the arts through lottery funds, the arts should be receiving some portion of the lottery moneys and that the amount to be given to the arts each year should be clearly specified. One third of the profits would be an equitable figure. For the sake of long-term planning, an assurance of the amount available to us each year is essential.

Solar Stage Theatre has benefited considerably from the proceeds of lottery funds in the past, from amounts of hundreds of dollars for new seats for our theatre to thousands from investment in the arts that encourages the corporate sector to donate operating and sponsorship dollars by way of matching grants from the government to over \$100,000 which helped to build our brand-new theatre facility in North York with matching corporate money.

Without these programs, Solar Stage could not exist. We could not have gone ahead with the projects if we did not have the assurance that the moneys were available to us and that this assurance came well in advance. Once again, we are not asking that lottery money not be distributed to other sectors. We believe we should get what is justly ours, however. A healthy, thriving arts community creates a healthier environment for all Ontarians.

Please support the hospitals, but please remember that the arts are part of the equation.

The Chairman: The first person on my list is Mr Farnan. I would like you to direct your questions or your comments to the presenter please.



Mr Farnan: As always.

First, I would you to tell us a little bit more about Solar Stage Theatre. Let me just ask you a couple of things that I would like you to tell me. Are you located in North York, do you do outreach and about how many people have the experience of the theatre per year?

Mr Schatzky: Yes, we are located in North York. We used to be in downtown Toronto, in fact until two seasons ago. We had to relocate. We are looking for another spot in downtown Toronto but for the moment our only location and our main location is in downtown North York. In fact, we are serving a community that really does not have a lot of theatre and, as I say, the lunch time crowds get to see theatre. We are the only one in eastern Canada.

By outreach, are you asking whether we take our theatre elsewhere? No, we do not. We are not a touring company in any way.

Approximately 6,000 people came to our theatre last year. That was our first season in North York. For a first season, it was very positive. We have just begun our second season. We should be able to double that.

Mr Farnan: Can I ask you about the actors, the people involved, etc. Are they full-time professionals?

Mr Schatzky: We are a fully professional theatre with full-time performers. We hired approximately 35 actors and I would say 20 others—set designers, costume designers, etc—in the course of the last season. We do a full season. We do seven plays per season. It is an ongoing process.

Mr Farnan: I want to thank you for your brief in terms of its conciseness and its focus. I think you have basically got to the centre of the issue.

One of the things I have learned about in terms of theatre, as I have listened over the last three weeks—this is into our fourth week—is the work that the little theatres and theatre around the province do in developing a farm system not just for the actors, but for the audiences.

When I look at theatres like the Galt Little Theatre in Cambridge and the contribution it makes to our community by providing a very high quality of production, giving us the opportunity in Cambridge to experience the theatre at first hand and to get ourselves out of our humdrum, day-to-day lives, I think it is possible as a result to develop young talents and to give a greater refinement to the audience if we are going to visit Stratford or the O'Keefe Centre etc.

How important do you see lottery funding and the development of a complete farm system? I know the Blue Jays believe in this philosophy. Does it apply to you?

1200

Mr Schatzky: In terms of Solar Stage Theatre, I think to talk about it as a farm system is interesting. We certainly hire a lot of young artists but we also hire some established artists. There are established artists who like to work in a small theatre. We also do new Canadian plays. We do not do experimental work—I would not call it that—but we do developmental work on

new scripts. That is exciting not for just new actors but for established actors.

Last year, we had Donna Goodhand. Donna Goodhand starred at the Shaw Festival for a number of years. This year we have Beth Anne Cole in the musical review that is going on now. She has been heard on Morningside as a regular. She has been all over the map across Canada so we are not just talking about young, upcoming artists. We are talking about established people who want to do something different, who want a chance to try something new, who want a chance at lunchtime theatre because that is different than evening theatre. It has a different crowd.

We are doing both, allowing young people—there is no question—new actors, new set designers, new costume designers, new lighting designers to come into the system and get a break so they can go on to the larger theatres, and we are also offering, on the other hand, established people a chance to do something a little different than they normally would do.

Mr Farnan: You almost mentioned Canadian content in a sense there. Are you talking about the talent? Are you talking about the scripts or the productions?

Mr Schatzky: I am talking about all the talent being Canadian. The scripts—this is another problem I do not think we can address here necessarily—we would like to do much more in the way of new Canadian plays. That costs money and the government of course is cutting back considerably on developmental moneys. Last year three quarters of the season was new Canadian works. This year we have had to cut back considerably. We are only doing a couple of new Canadian works because we cannot afford to pay playwrights for new vehicles. That is becoming a problem. That is part of Solar Stage's mandate in fact, but it is becoming more and more difficult to see it through.

Mr Farnan: But lottery funding to budding Canadian writers would be a way of addressing this whole area of Canadian content.

Mr Schatzky: Absolutely.

Mr Sola: In your presentation, at least pertaining to Wintario, you mention that the public had the impression that all the money was allocated or intended to be used for culture and recreation. Today, we just received a report from our research officer and I would like to read a few numbers out of that pertaining directly to the Wintario portion of the lotteries.

In 1975-76, revenue was \$42 million; expenditure \$4 million, so it is less than 10 per cent. In 1976-77, it was \$76 million as revenue and \$36 million as expenditure. In 1977-78, it was \$71 million compared to \$64 million so it was almost all allocated. In the next two years, more was spent than was actually earned. Sales peaked in 1981-82 at \$137 million, but only \$74 million was spent. Therefore, it was almost a 50-50 split. By 1983-84, the accumulated balance or unallocated money was \$223 million.

Since our government came to power in 1984-85, \$10 million more was spent than was earned. It has increased. In 1986-87, \$61 million more was put into culture and recreation than was earned from Wintario. By this proposed budget for 1989-90, that \$223 million surplus has dropped down to \$7 million. In other words, since this party has been in power we have disbursed \$216 million more than Wintario earned.

I want to point out that this party has gone by the impression the public was given that Wintario was to be used for arts, recreation and culture, and we inherited a situation where this was not the case. It has been, of course, muddled by all these other lotteries that have since come into being; but just the original one, the one that was set up for that specific purpose, right from day one was not used specifically for that purpose. As a matter of fact, in the first year, less than 10 per cent was allocated for the intended purpose. So that shows you what we are stuck with.

I think this bill, Bill 119, is just trying to get us back to square one, so that we do what everybody thinks the legislation says we intend to do.

Mrs Cunningham: In the last three years, 1984-85, 1985-86 and 1986-87, the surplus that was not spent was \$36 million, \$25 million and \$41 million. The purpose of this bill is to give the government the power to allocate \$369 million in surplus money that you thought you were going to get. That is it.

Ms Bryden: I would like to congratulate Mr Schatzky on a very concise and to-the-point brief which indicated, as he says, that Solar Stage Theatre could not exist without lottery funds.

Mr Callahan: Sorry, Ms Bryden. I understand from Mr Fleet that you are going to make a ruling before lunch. I have to ask you. I have a physiotherapy treatment at 1230 somewhere distant from here and I would ask the agreement of the committee that perhaps that matter might be held over until after lunch.

The Chairman: Is there an objection to that? The other thing that is coming that would make that quite agreeable to me is that the final group this afternoon, which has already been depleted a bit, has cancelled, so we have only three presentations this afternoon. I think we should discuss what we are going to be doing from now until Thursday.

Mr Callahan: I would certainly appreciate it if the members would accommodate me.

The Chairman: Is there any objection to that?

Mr Farnan: I certainly see this as simply a delay.

Mr Pelissero: A physiotherapy treatment?

Mr Farnan: I am not questioning the fact that there is a physiotherapy treatment, but the reality of the matter is that this committee has functioned without individual members being present. Also, the government does not lose its majority on the committee with one member of the committee being away. So there is no danger to the government in terms of—

The Chairman: We do not have a consensus, so go ahead, Ms Bryden.

Ms Bryden: Mr Schatzky, I have seen some of your plays and I know the great work you are doing in creating new audiences, giving work to Canadian actors and artistes and possibly developing Canadian plays.

You say you favour that one third of the lottery funds should be



dedicated in legislation for culture and recreation. I presume you mean one third of the funds from all six lotteries.

Mr Schatzky: Yes.

Ms Bryden: I think there are six now, which is one of the excuses, shall we say, for Bill 119 coming in. The original legislation of course was passed long before a lot of those new lotteries had come into being and there may be some need to regularize that. Do you feel there is any need to remove the dedication that was in the original act, that the funds should go to recreation and culture and that they should get at least a third of the funds from all six lotteries? That is your proposal, is it not?

Mr Schatzky: I have to admit that I do not know the nitty-gritty, and there seems to be some confusion over that anyway. I am taking the alliance's view on this.

Ms Bryden: They have studied it, I know, very carefully.

Mr Schatzky: From my understanding, from my own experience directly, and taking the alliance's figures, that is where I feel, as Mallory Gilbert of Tarragon said, they have done a very good job, and I think it is a reasonable proposal. That is basically what I am here to say and to say that if we are talking about health, we are talking about the cultural health of society, and we are as much a part of that as the hospital system is in a sense. That is really the argument for me.

Ms Bryden: Bill 119 is much more than just a regularization of what has been happening. It is really a completely different approach.

1210

Mr Schatzky: It is a different approach, but it has to be. It has to be defined and we have to clearly know where we stand, what we are going to get and how it all breaks down. I think it has to be clearly laid out for us.

The Chairman: I would like to thank you very much for your presentation. We have some other things to discuss. I do not feel you need to be part of it, but we have appreciated your being here.

I have been asked to comment on two things by way of requests from yesterday.

The first of these has to do with the allegation that there was unparliamentary language used. In yesterday's session, I indicated that the language was unparliamentary, I asked the individual to withdraw it and that request was denied. Philosophically, my advisers tell me that the only recourse we, as elected members who represent a constituency in Ontario, have is that that constituency, on the basis of our performance here, get turfed out at the next election. So we have to go back to the ground rules, being that we are acting according to gentlemanly practice here.

The point I would like to make is that the record stands for itself and will be judged accordingly. It is all part of the public record. From the chair, I have already made one reference to the point of saying you have to choose your words very carefully, because it is unparliamentary to call a

person a liar or a thief or to imply that in statements being made. As the chair, my job is to see as much as possible that none of that happens.

There are procedures that could be carried out if you do not recognize me as the chair. That is not the important thing here. I think the thing is that we are coming up to a situation where we are going to be doing clause-by-clause on Thursday afternoon. I think things are apt to get a bit testy on occasion and what I am asking the committee to do is to keep in mind the fact that we could do something very beneficial for the groups involved that have taken the time to come before us, by way of modifying this bill to advantage within the guidelines.

So I am not making a specific ruling or escalating what happened yesterday. What I am asking all of you to do is to take into consideration the fact that you should not be using unparliamentary language. I will be very strict on that from now on, in conjunction with the clerk picking it up when it is an aside, because often these things are said not on the official record. Even that sort of escalates things, particularly when we have guests in front of us, in a way that I do not like as the chairperson.

The other matter I have been asked to rule on specifically, in a request that I guarantee in this kind of thing that it would happen by today and I said I would do the best I can, I have sought advice on this and I have been seeking advice for the last two weeks really with respect to the status of a motion such as the two that Mr Farnan put, or "tabled" I guess is the word I should be using here.

The reality of the situation is that this committee went by procedure in taking a recommendation that we strike a group of people from the committee to structure an agenda, which was ratified and which says we are doing hearings until now noon, because we have successfully transferred the one in the afternoon to the morning on Thursday, and clause-by-clause begins in the afternoon.

When I make a ruling as to the appropriateness of things at this stage, when we are not in clause-by-clause, whoever makes the ruling, it does not matter whether it is the government side or the opposition side that does this, I am going to rule in such and such a way. That means that the person generally, from a history point of view, has modified the proposed amendment. My impression of what my advice is is that motions that are tabled before we get to clause-by-clause are just goodwill on the part of the person who tables them so that the other people are knowledgeable with respect to what is proposed. As the chair, I really should not be making comment on those as to their validity until we get into clause-by-clause.

The other thing that was suggested was that if somebody on a confidential basis wants to come to me as the chair and ask what is my impression, I would discuss what my impression is, and that is what I have been advised to do.

I am not sure you are going to be happy with that kind of statement, Mr Farnan, but this place has a long tradition. It all culminates in a group of people, and their legislative counsel and all the clerks, who are really charged with making sure that due process is followed. I have sought a variety of opinions on this. My view right now is that until we get to clause-by-clause, because of what the committee has instructed me to do, I

really should not be commenting specifically, except to the individual who tables the motion. I will be glad to do that confidentially.

Mr Farnan: I will certainly see you confidentially, but let me say this: What you are telling me is that you have been seeking this advice for two weeks. I sought the advice for one day and got—

Mr Fleet: On a point of order, Mr Chairman: This sounds like a debate of the ruling.

Mr Farnan: I am not debating the ruling. I was asked whether I was satisfied with this and—

The Chairman: This might be a helpful discussion.

Mr Fleet: I am not prepared to be helpful to Mr Farnan, given his attitude earlier, just not too many minutes ago.

The Chairman: I am sorry, Mr Farnan.

Mr Fleet: I raise a point of order: It sounds like a debate of your ruling.

Mr Callahan: Oh, don't worry about it. It's my back, not his.

The Chairman: I have to have consensus to let you talk, Mr Farnan. I am sorry I cannot, because when I make judgements like this, apparently they are not debatable. That is the other thing I have been advised, so sorry about that.

Mr Pelissero: Just a point of information then, Mr Chairman: Maybe "ruling" is a strong word. The pronouncement you just made is in the form of a pronouncement versus a ruling, because if I can interpret what you said, it was that basically it was nice that Mr Farnan circulated the amendment, and he may have other amendments that he wants to bring forward, but you technically will not recognize them until Thursday afternoon.

The Chairman: Until we get to clause-by-clause and there are specific amendments proposed and put on the table as formal motions, we cannot discuss that.

Mr Pelissero: Okay, so in a sense there is no ruling here.

The Chairman: There is no ruling at this stage.

Ms Bryden: Did I hear you say that rulings are not debatable or just that your comments today are not debatable?

Clerk of the Committee: The chairman's rulings are not debatable.

The Chairman: The chairman's rulings are not debatable.

Mr Callahan: Well, you can challenge the chair.

The Chairman: You can challenge the chair and then the committee decides.



Mr Farnan: I know the way the Liberal group votes: it votes as a bloc. I can count and why would I bother challenging the chair on an issue like this?

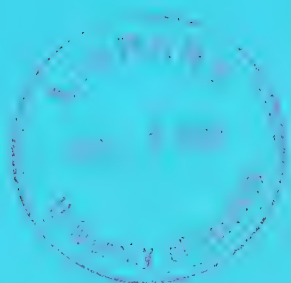
The Chairman: Any further discussion or comment by any member of the committee before I adjourn until 2 o'clock this afternoon? Thank you very much. We stand adjourned until 2 o'clock.

The committee recessed at 1217.



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STANDING COMMITTEE ON GENERAL GOVERNMENT

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989

TUESDAY 3 OCTOBER 1989

Afternoon Sitting



STANDING COMMITTEE ON GENERAL GOVERNMENT

CHAIRMAN: Elliot, R. Walter (Halton North L)  
VICE-CHAIRMAN: Faubert, Frank (Scarborough-Ellesmere L)  
Bryden, Marion (Beaches-Woodbine NDP)  
Callahan, Robert V. (Brampton South L)  
Charlton, Brian A. (Hamilton Mountain NDP)  
Cordiano, Joseph (Lawrence L)  
Cureatz, Sam L. (Durham East PC)  
Fleet, David (High Park-Swansea L)  
McLean, Allan K. (Simcoe East PC)  
Ruprecht, Tony (Parkdale L)  
Sola, John (Mississauga East L)

Substitutions:

Cunningham, Dianne E. (London North PC) for Mr Cureatz  
Farnan, Michael (Cambridge NDP) for Mr Charlton  
Pelissero, Harry E. (Lincoln L) for Mr Cordiano  
Reycraft, Douglas R. (Middlesex L) for Mr Ruprecht  
Sterling, Norman W. (Carleton PC) for Mr McLean

Clerk: Carrozza, Franco

Staff:

Anderson, Anne, Research Officer, Legislative Research Service

Witnesses:

From Visual Arts Ontario:

Gaysek, Fred, Editor, Artsview Magazine  
Wolff, Hennie L., Executive Director

From Nightwood Theatre:

Lushington, Kate, Artistic Co-ordinator

From the City of Sudbury:

Waddell, Donald, Director of Parks and Recreation

LEGISLATIVE ASSEMBLY OF ONTARIO  
STANDING COMMITTEE ON GENERAL GOVERNMENT

Tuesday 3 October 1989

The committee met at 1415 in committee room 2.

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989  
(continued)

Consideration of Bill 119, An Act to amend the Ontario Lottery Corporation Act.

The Chairman: The chair recognizes a quorum. Before we call our first group of the afternoon, Mr Reycraft has requested a few minutes to make a statement.

Mr Reycraft: Thank you, Mr Chairman. I will not be very long. I indicated a couple of weeks ago that because Bill 119 was introduced in the Legislature during the 1988-89 fiscal year, there would be a need to amend the bill to update it. I have been advised by legal counsel in the Ministry of Treasury and Economics that such an amendment can only be moved by a member of the executive council. Therefore, and for that purpose, the Treasurer (Mr R. F. Nixon) would like to attend as a substitute member on the committee for the purpose of making that amendment on Thursday afternoon. He has also indicated that he is willing to respond to questions that members of the committee might want to ask at that same time. He is available for approximately an hour.

Mr Farnan: Good.

Mr Reycraft: Does that meet with the satisfaction of the other members of the committee?

The Chairman: Any comment by other members?

Mr Farnan: I would just suggest that when you are going through that process, the Treasurer be given copies of the motions which I tabled which can only be ratified or recognized by the chairman if they are moved by the minister with the Lieutenant Governor's consent. When he comes down for that hour, perhaps he can move all of this business at the same time. It would be very expeditious for the process, so I welcome his presence.

Mr Reycraft: Now are you going to ask him to do that, or do you want me to ask him on your behalf?

Mr Farnan: Basically, I tabled the motions. Now I do not know what the process is. I thought that with a chairman who was a member of the government, with a parliamentary assistant who was a member of the government, with five members of the government here, by this stage the Treasurer would have been made aware of what would be very substantive motions. Are you telling me at this stage that the Treasurer has not had these motions in his hand?

Mr Reycraft: No.

Mr Farnan: He has not?

Mr Reyecraft: No, I am not telling you that.

Mr Farnan: Well, what you do is you make a mockery of the process because if there are substantive motions that change the nature of the bill and you are saying the Treasurer is not made aware of them at this stage, then why are these groups coming forward? Because every one of the groups that has come forward has asked for these particular changes. We know because legal counsel have said that—

The Chairman: Could I interject, Mr Farnan? I think this is along the lines of what I was clarifying this morning, that Mr Reyecraft is making a statement. I think that you can assume that the Treasurer is aware of the tabled motions, but until they are moved as motions in clause-by-clause on Thursday afternoon, we cannot make comments at this point.

Mr Farnan: Okay. Maybe Mr Reyecraft can take this message: that we are prepared for the government to take the initiative in this matter and to bring forward motions similar to the ones that were tabled for discussion by the committee. That would be very helpful in the process if the Treasurer were made aware of that, and we will await his response on Thursday.

The Chairman: Any further comments?

Mr Reyecraft: I want to assure Mr Farnan that the Treasurer has been kept aware of proceedings in the committee and I shall make sure that he is aware of Mr Farnan's comments this afternoon.

The Chairman: Our first presentation this afternoon is on behalf of Visual Arts Ontario, I guess is the official title, and Fred Gaysek is going to be making that presentation. Fred, if you would like to take a presenter's chair and begin your presentation, I am putting down that you are starting at 2:20 pm so you have 30 minutes for your presentation. If you do not use all of the 30 minutes, we may have questions or comments.

#### VISUAL ARTS ONTARIO

Mr Gaysek: I am sure it will not take that long. I will simply read from the material I have prepared.

My name is Fred Gaysek and I am here to speak on behalf of Visual Arts Ontario. I am the editor of Artviews magazine, which is published by that organization.

Visual Arts Ontario was founded in 1974. It is a not-for-profit, charitable organization with a mission statement to further the awareness and appreciation of the visual arts. VAO's membership consists of three basic groups: the professional working artist, the emerging artist and the art-interested public. Of the 3,043 individuals and 20 affiliates—arts councils, professional societies, galleries—comprising VAO's membership, more than half reside in the greater Toronto area. The remaining portion of the membership is spread across Ontario with a smaller number in other provinces and countries.

1420

Professional programs and services for the artist are fundamental to Visual Arts Ontario, as are initiatives which create opportunities for fostering public awareness, experiences and education in terms of the visual



arts. In practice, this means that each major organizational undertaking features components which demonstrate, in an accessible and engaging manner, the complex and potent role of the artist in contemporary Canadian society.

Visual Arts Ontario has been careful to retain flexibility and to avoid the constraints of a restrictive mandate. VAO's executive director, Hennie Wolff, who is here today, and a board of 14 elected directors, comprised of professional artists and business experts, determine the organization's immediate and longer-term course and activities in response to the current cultural climate and the key issues which directly affect the professional artist. VAO endeavours to remain sensitive to the needs of the creative community and takes an active part in the initiation of projects which correspond to the development and promotion of contemporary art.

VAO's overall programming operates on a three- to five-year cycle and is intended to achieve the following aims and objectives:

1. to act as a representative body of visual artists and visual arts associations in the province of Ontario in order to further the awareness and appreciation of the visual arts;
2. to act as a central information agency on the visual arts;
3. to promote the artist as a self-sufficient member of society;
4. to initiate and accomplish projects and programs for the betterment of the visual arts;
5. to promote the importance of visual arts and the status of visual artists within the province of Ontario;
6. to provide working information and resources for artists and the general public;
7. to provide a forum for affiliate arts organizations to discuss mutual concerns and solve problems;
8. to assist in the regional development of art in the province and to encourage communication with community arts organizations;
9. to create a recognition of the talents of Ontario artists in the international community, and
10. to provide educational programs, as appropriate, to the province's artists and to the art audience of the future in order that its members may appreciate the role of the visual artist within the cultural fabric of society.

As a not-for-profit arts service organization, VAO relies on its abilities to raise funds at all levels of government and within the private sector. It is clear to us, to organizations such as ours, to arts groups, to artists and to a surprisingly large and vocal percentage of the province's citizens that such funds are increasingly difficult to obtain.

The discussions around this fact are more than lively and reactive. They are thoughtful and thorough. They reflect and represent ideas ranging from the nature and numbers of cultural producers to an overall political shift towards a society of the entrepreneur. It is also interesting that such discussions also take into account government initiatives, policies and legislation.

In fact, it is a matter of legislation which has brought me here today; that is, the rather dubiously worded Bill 119. This particular legislative topic has been of deep concern to Visual Arts Ontario and its members since the early rumblings from the province's Treasurer during the minority government which preceded the present majority government. Sadly, these rumblings have become a sharp sentence, one which the government holds over an essential lifeline for artists; one which the government asks artists to accept without any assurances whatsoever, aside from a quietly whispered "Trust us"; one which plainly erases the Liberal government's often-stated commitment to the arts in Ontario.

Visual Arts Ontario is in agreement with what Attorney General Ian Scott told the Treasurer in 1987, that the money that came from the extraprovincial lotteries should have been included under section 9 of the Ontario Lottery Corporation Act. Furthermore, Visual Arts Ontario does not view lottery funds as simply another source of government revenue, but a very particular and much-considered means of encouraging the citizen to dedicate a portion of his or her discretionary spending towards "the promotion and development of physical fitness, sports, recreational and cultural activities and facilities therefor."

As well, Visual Arts Ontario is in full agreement with the points raised 28 February of this year in the Legislative Assembly of Ontario by Floyd Laughren, the New Democratic Party member of provincial Parliament for Nickel Belt, in response to Christine Hart, who on that day, as parliamentary assistant, moved, on behalf of the Honourable Robert Nixon, second reading of Bill 119, An Act to amend the Ontario Lottery Corporation Act.

Those points have been presented in the Legislature and to this committee in substantial detail. It is VAO's hope that they are now fully realized before it is too late and that their consequences are not cast from thought as easily as a majority vote might be cast.

There should be no question on the part of this committee and on the part of our provincial government concerning the contributions the artist makes to the economy of Ontario. After all, it is our government that recommends featuring Ontario's artists internationally in an effort to attract foreign investment of all kinds.

There should be no question on the part of this committee and on the part of our provincial government concerning the contributions the artist makes to the quality of life in Ontario. After all, it is our government that encourages Ontario's artists to make known the histories and cultures which are the weave of this province's social fabric.

There should be no posturing on the part of this committee and on the part of our provincial government in order to pit "the promotion and development of physical fitness, sports, recreational and cultural activities and facilities therefor" against hospitals for funding dollars. After even a moment's consideration, such posturing becomes transparent and crudely manipulative to any citizen in the province.

In order to keep this statement brief and to the point, I will end here with an expression of support on behalf of Visual Arts Ontario for the two motions which apparently have been tabled in this committee by Mike Farnan, the New Democratic Party member for Cambridge, as stated in a 19 September 1989 news release from the New Democrats.



On behalf of Visual Arts Ontario and the community to which this organization is responsive, I thank the committee for this opportunity to present our point of view, which is widely and firmly held by citizens throughout the province.

Mr Farnan: I have a particular interest in a theme that has been emerging throughout the hearings, and it is the theme of promoting, whether it is arts or culture or the symphony or the theatre, whatever; that there be funding and opportunity from the grass roots, from small community organizations into regional and then on to perhaps the national or international stage.

I think that is important in two areas. It is an opportunity for talent to be refined and it provides a platform for that talent to shine, and it is an opportunity for the audiences to appreciate and delight in the culture that is offered within our province. It is a matter of increasing the quality of lifestyle in our province. Could you tell me how VAO fits into that kind of expanding progression from the grass roots through to the national or international?

Mr Gaysek: Certainly as an organization we do fit into that, I think, in several ways. Initially, many individuals who have recently graduated from art schools tend to become members of Visual Arts Ontario and take advantage of the resources that we have available for them, as well as some of the seminars that we offer. We provide information as fundamental as being an artist and paying income tax and as complicated as understanding contemporary art criticism and the role it plays in the development of our visual arts.

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We also are in close contact with our membership in terms of the kinds of concerns they have, and we tend to collect these concerns and try to articulate them in a meaningful way through our publications and through meetings such as this one. Does that answer your question?

Mr Farnan: Yes, it is a fairly broad question and answers the question, I think, in that you are talking specifically about Visual Arts Ontario or within that system. You have a line in here that kind of jumped out at me, "It is our government that encourages Ontario's artists to make known the histories and cultures which are the weave of this province's social fabric." We have heard much about the quality of lifestyle before the committee. We have heard a great deal about wellness and culture, and the arts being part of a preventive health care system. I think what you have added here is perhaps that there is a cultural identity that we can invest in through the arts, whether it is visual, the theatre or whatever. Would you like to expand on that a little?

Mr Gaysek: This, I think, also would tie in with your grass-roots question. Artists, particularly those who are at the early stages of their careers, have to rely on their community, not only their community of artists but on the very community they live in, for support, for a place to live, for a place to work, for the kinds of materials they employ to produce their art. And through this kind of reliance a relationship develops and an understanding develops.

It is often artists who have understandings—cultural understandings, social understandings—members of Ontario society who, shall we say, the media



at large does not reflect? It is visible in theatre. It is visible in dance. It is visible in events like Toronto's Caribana parade. It is the kind of thing that draws people from all kinds of backgrounds, from all kinds of family settings, economic situations, together in much more than a simple understanding and sharing, but one that is critical and investigative and challenging.

Mr Farnan: I just have one final question, Mr Chairman. It refers to the identification of the lottery funds or the designation of lottery funds. I think you have summed this up very well, that VAO does not view lottery funds as simply another source of government revenue, but a very particular and much considered means of encouraging citizens to dedicate a portion of their discretionary spending towards, etc. I think that is true. I think because of the impression that has been left that these funds were going to culture and recreation, because of the Wintario travelling road show going in on TV and saying, "We're setting up a new ice surface and this is where we got the money, etc," there is imprinted on the mind that when I go out to buy a ticket I am actually investing in culture and recreation. Even if I lose on the ticket, I am a winner because I am investing in something I believe in.

The problem with this new bill, you would suggest, is that people will now no longer know that investment is directed to the source they want it to go to?

Mr Gaysek: Absolutely. I agree with that. As I am sure you have all, in your own minds, considered the worthiness of this kind of approach to separating the constituent from his or her dollar. I think you must realize that in order to take advantage of this process, to use the money at the whim of the government is not in keeping with the original intention.

Mr Farnan: The government has said in the House—the Minister of the Environment (Mr Bradley) has said—that one approach for the environment is to set up a Cleantario lottery. It has been suggested before this committee that perhaps if they want to use some funds for hospitals, there could be a hospital lottery, but the lotteries they designated, the Wintario lottery etc, would go to recreation and culture. I personally have difficulties with that, because still, I think, it pits the two off against each other. What is your reaction to that kind of suggestion?

Mr Gaysek: My personal reaction is a negative one. I frankly do not find the lottery to be an appropriate way for soliciting or endeavouring to generate funds. On the position of Visual Arts Ontario, I would actually not be able to answer you. Perhaps Hennie would like to comment.

Ms Wolff: I do not think our position is any different.

The Chairman: We cannot pick that up on the speaker. Do you want to move up beside Fred and relay that again, please, after being introduced by Fred again?

Mr Gaysek: This is the executive director of Visual Arts Ontario, Hennie Wolff.

Ms Wolff: We have Fred's position. My microphone is still not on, but in any event, our official position does not differ from what Fred has just stated.

Mr Farnan: I appreciate the answers. Thank you.

The Chairman: Mr Reycraft has a comment or a question.

Mr Reycraft: A couple of them. Can you tell me a little bit more about Visual Arts Ontario? How large is your annual budget and what are your sources of revenue for meeting that budget? Can you give me that just in general?

Ms Wolff: We are a program organization, and as such, our budget may vary from year to year. Last year our budget was just short of \$1 million. Our sources of revenue vary from year to year. We are not an agency of the government, we are a service organization, so annually I would apply to the Ministry of Culture and Communications, the Canada Council for certain specific projects; the municipality of Metropolitan Toronto for other Metro projects; the Toronto Arts Council for, again, other initiatives. Looking to last year as an example, when we were involved in a very large project which was cosponsored by Metro and took place in Scarborough, we then addressed a whole other group of corporate sponsors, many of whom have business interests in the city of Scarborough as well as in Toronto.

About 20 per cent of our annual operating funds will come from the ministry of culture, but then it behooves us to look at other sources of revenue. Our membership fees, publication sales and art rental are very large revenue producers for us. We place art in government ministries and corporations.

So, our revenue each year is sort of a patchwork. I should not say "patchwork," because it is not arbitrary, but we have to look to different sources. Traditionally, lottery funds have been a source of funding that we would look to from time to time, and one could only look at those projects on a time-to-time basis, but certainly it was critical for us to know that they were there, the lottery programs, equipment programs, events, festivals and other special initiatives.

Mr Reycraft: How did you know which programs you were applying to were lottery-funded programs?

Ms Wolff: The ministry has very specific guidelines for each of the categories, and where we were interested in perhaps class connections or—I just recently applied and have not had a response for the equipment category. Now, I know that one can apply for certain amounts—and again, those are matching amounts, so one could not just rely on those funds to go out and do something—but, you know, we would keep in touch with our ministry contact people. It becomes one's job to know what programs are available, and if one does not know and has a need, one can see if there is a program that can accommodate the need.

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Mr Reycraft: Did I understand you to say that about 20 per cent of your operating budget came from the Ministry of Culture and Communications?

Ms Wolff: Yes. The guidelines from the ministry and the Ontario Arts Council state that not more than a certain percentage of an organization's funds can come from those two sources.

Mr Reycraft: Is that about \$200,000 total then?



Ms Wolff: It is actually less than that. Last year it was \$174,000.

Mr Reycraft: For how long have you been receiving operating grants?

Ms Wolff: We have been in operation since 1974. Basically, our operating grant from the ministry is not related to programs. As a service organization, we are to provide a variety of services to the community. Anybody can come into our office for a consultation. We have quite a large resource centre, and we offer advice to a whole host of individuals.

Mr Reycraft: You mentioned the magazine Artviews. Do you receive subscription fees for that as well?

Ms Wolff: Yes, although Artviews is a benefit of membership. Our members would receive Artviews, as well as our interim newsletter agenda and a variety of other benefits that we seek on their behalf across the province, discounts from suppliers and so on, but we do subscriptions and sales through newsstands as well.

Mr Reycraft: If Mr Farnan's amendments were moved and adopted by the committee and eventually found their way into law, the implementation of those amendments would result in about \$200 million being allocated from lottery funds to culture and recreation. Government support this year for culture and recreation is well over \$500 million. Does it cause any concern that agreeing to a funding formula or a guarantee that is well below the existing level of funding of those programs could create future problems for cultural and recreational organizations in the province?

Ms Wolff: We have already seen a reduction in the funds that are available to us through lottery-based programs. I guess any and all reductions, apart from the underlying philosophical concerns that we may have, would have to be a concern to us. As Fred's brief outlines, funding, whether it be government or private sector dollars, is becoming increasingly harder for us to obtain—not just us, Visual Arts Ontario, but the community at large—so any reduction, either in terms of dollars or the philosophy behind that reduction, would be problematic. Would you like to add to that?

Mr Gaysek: I do not really understand your question.

Ms Wolff: I thought I did.

Mr Reycraft: My concern is that a guarantee of a specific portion of lottery funds that would provide less than the current level of funding being provided to cultural and recreational programs could create problems in the future. The government might tend to say that culture and recreation does not need this large an allocation of taxation revenues because they have the lottery guarantee to rely on.

Mr Gaysek: So where are you suggesting this \$500 million that is presently being spent is coming from?

Mr Reycraft: It is coming from the consolidated revenue fund. Part of that money is lottery funds; part of it—

Mr Gaysek: So are you suggesting that the Liberal government would view a smaller sum as being an adequate replacement for a sum which is already too small?



Mr Reycraft: My concern is that a guaranteed floor might really become the ceiling for program funding, just because there was a guarantee in place.

Mr Gaysek: I do not see any relationship between the two at all. If there is a guaranteed sum of money from the lottery funds, I do not see how that would have any bearing on the other policies of the government.

Mr Reycraft: I guess it is the overall policy of the government that is really the important issue here. It is the amount of funds both from lotteries and from taxation that a government provides for culture and recreation that is really important, not how much of the lottery funds it uses for culture and recreation.

Mr Gaysek: I think the dedication of the lottery funds to culture and recreation is important in and of itself. I think the things the government is presently doing are important as well, and I would encourage the government to increase that level of activity and spending. But I do not see how adopting that amendment or putting a guarantee of that nature in place would jeopardize any existing levels of funding. I do not see the relationship.

Mr Sterling: I would just say that the argument put forward by Mr Reycraft is kind of unusual in that what he is saying basically is that, taking the global budgets of the ministry, in some ways the idea of having a hook on a certain amount of money would jeopardize the total. I cannot see that as following.

In fact, I would imagine, and have known the experience of being in negotiations with various ministers in the past government, where the Minister of Culture and Communications would come forward and say: "Here's the amount of money I had last year. This is how much money has been earned by the lottery. Section 9 of the lotteries act says that we, along with the other ministers responsible for recreation, are entitled to that money. Now, what are you going to do, Mr Treasurer?" That is the negotiating position that was taken in past governments.

Really, what we are talking about by wiping out section 9 is taking the hook away from the Minister of Culture and Communications and the minister who is responsible for recreation to have that argument. That is what this is all about. To put the argument the other way, I find that hard to understand.

The Chairman: Our next presentation this afternoon is on behalf of Nightwood Theatre, and Kate Lushington is going to make that presentation. Begin any time you are ready. The next half-hour is yours.

Ms Lushington: A whole half-hour?

Mr Sterling: You do not have to use the whole half-hour.

Ms Lushington: Sometimes it is hard to shut me up, especially when I do not have a written deputation.

#### NIGHTWOOD THEATRE

Ms Lushington: I represent a very small company called Nightwood Theatre, which is a feminist company, a professional nonprofit theatre company dedicated to the development of innovative, original Canadian work by women theatre artists.

This is a unique mandate. We are the only company in English Canada committed to promoting and producing the work of Canadian women playwrights and directors, which is especially important in light of recent statistics which have been released to show that of all new Canadian plays produced in Canada last year, only 17 per cent were by women. This is strange when you think that cultural consumers are, statistically, 60 per cent female, and of course, our incomes are 60 per cent those of men. More women go to cultural events and spend the moneys they earn, which are less, on cultural events.

Nightwood Theatre was not started to address statistics. It was started as a collective in 1979 by four women who have since gone on to other things. We no longer function as a collective. It is our 10th anniversary year. We have made quite a leap, and a lot of our leap has been due to the help of lottery funds.

Our audience in town is about 4,000 or 5,000 a year. That is not very many people. There is a big theatre town here. We compete with a lot of other theatre companies. We are considered a normal, functioning theatre company. In other words, I am sometimes asked if our audience is women. I say, "No more than usual in culture," which is 60 per cent. We do not play to a gender-biased audience.

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However, we are about to take a show on the road. We will be going across Canada representing Toronto, Toronto theatre and women theatre artists. It is called Goodnight Desdemona, Good Morning (Juliet). It is a comical Shakespearean romance. You will be able to see it in town. It has been included in the Canadian Stage Company's season, although it is a Nightwood Theatre production. This might not be noticeable if you look at their brochure, since our name is rather small, but it is our production.

We have two staff. You are looking at the artistic co-ordinator. There is also a general manager. That is it. We have been able to hire a contract worker to help co-ordinate the tour for a short while. This has added an enormous amount of work, because I will tell you what it is actually bringing in: 4,000 to 5,000 a year in town; on the tour, we will be playing to about 28,000 people across Canada. That is a big leap.

Our most recent grant from the Ministry of Culture and—I always get that wrong—Communications. I used to work in the arts when it was Citizenship and Culture. The letters are the same, but I get the names wrong sometimes. Our most recent grant sent our board on a board retreat, which has enabled us to do intensive planning. You can imagine that with such a small staff and such a lot of undertakings, our board is quite hands-on. We were able to go away and hire a facilitator and do some pretty good planning that should put us in good shape for the year to come.

Our annual budget is normally around \$190,000. It just puts us over the tip of the small theatre cutoff at \$150,000. We are in the normal division as far as awards and all that go, and we have won some. Our budget during the tour year will be about \$440,000. As you can see, it might go way back in the following year if we do not have a tour. Those are extra moneys from the touring office, etc.

But our most important grant from MCC this year has been an equipment grant. We have been able to computerize our office, which is probably why we



can do this tour. It saves us about one and a half people, or it will when we get through the horror of the transition, which is what we are in at the moment. Half the mailing list is on labels and half of it is in the computer, but we know this is, as they say about the goods and services tax, short-term pain for long-term gain, and we are very, very happy to be able to do this.

This computer also opens us up to network across the country with other similar organizations, and it is really going to put us into the 1990s. It was matching funds, as all the MCC grants are, I believe. We had to go out and match it.

We have had six grants since 1984. The company started in 1979. It really did not have a functioning board until 1985, but before that functioning board we were starting to access lottery moneys.

The first grant was an organizational development grant which enabled us to hire a company to put a corporate fund-raising campaign in place, which is now the basis of our fund-raising in the corporate sector. We have been able to get sponsorships. We can rely on a small amount of money each year from corporations, which, if we had more staff and now that we have a computer, will increase. We have the framework in place, thanks to that grant.

The next grant we got was a festivals grant. This was before my time. I think it is now called community arts events. It enabled us to put on the first Groundswell Festival of new work by women. Because of the lack of opportunity for women playwrights, this festival has become incredibly popular and has been the beginning of their careers for some major playwrights. We do about 12 to 13 shows over a two-week period on peanuts. We were able to start it under a one-time-only festival grant, and now it is part of our operating money and it is one of the most popular events we produce. In fact, our box office from the Groundswell Festival equalled the box office from our two main stage productions last year.

We were able to get an Arts Abroad grant to do a previous tour, which sent one of our popular shows, This Is For You, Anna, which was about violence in the family, to Great Britain in 1985, and we were able to get a much-needed staff person, whom we unfortunately could not turn into a full-time position at that time, although we can now, through the internship training program.

Those are all the grants we have got, but as I have just heard mentioned in front of me, we have already seen a reduction in the moneys available.

We did not get our administrative intern this year. We were eligible to apply for it and we put in a Ministry of Culture and Communications application, of course—we always think that—and when we were told that we had not got it we asked why and they read the remarks on the dossier: "Excellent application. Marvellous training opportunity. Good track record in training in a previous grant." Of course, it was because there was not enough money. That was why we did not get it, and there were certain regional allocations that had to be met, and we should probably move the theatre out of Toronto, but we did not get it. This was unfortunate, but it certainly has shown a reduction of things.

The lottery money is important to us for two major reasons. One is that, as I think I have already described and explained, it has been a vital source of funding to the company in its development from being a four-woman collective that was just a bunch of actors who got together to do a show in 1979 to now being an operation that can put that kind of a tour across the



country and has an eight-woman board that includes an accountant, a lawyer and a fund-raiser who works for the Ballet Opera House Corp, as well as artist members we still feel particularly loyal to.

At each stage of our development, when we were ready to take the next step the lottery funds have been there. The tax-based dollars that give us our operating grants would not have kept pace in the same way. You get taken on as an operating client of the Canada Council and you start in a starting niche because that is what you can do. You can only put so many shows out when you start, you do not just start at a medium-sized theatre level at all, but they can only put you up so much a year. It does not matter how much you say you are going to spend, they can only jerk you up a little bit, and they like to do that when you do better art and you can only do better art if you get the support systems. Most of our operating moneys go to artists' salaries, and the MCC funds have given us vital, essential source moneys for administrative development.

It has also offered as a range of development. I have said that it is mostly administrative, but the festivals grant enabled us to take it artistically, which we would not otherwise have been able to do.

We would like to apply for another of those grants, community arts events. One of the things we have just enshrined in our bylaws at the last board retreat is a commitment to fighting racism at every level within our own community. We consider ourselves to be part of a progressive community. There has not been one play produced written by a black woman in this country yet. Toronto has a race relations problem. Art is a way of resolving issues. It is a way of looking at problems and working together. We now have two black women on our board. We will be working towards producing mixed-race productions in the future.

We want to have a forum that would look at this issue that would include plays that are in progress by writers of colour, women of colour, and a discussion in our own community of this problem. This is a community arts event which will open us up to greater audience development, which will bring forth many important issues. We cannot do this out of our operating funds. This is what lottery funds can enable us to do, and just as the Groundswell Festival is now part of our function, part of what we do well, this kind of forum could lead further.

It links the community with the arts, with the artists; that is what the lottery funds do. The tax-based dollars are vital. We feel very supported by the Ontario Arts Council. We really want to stress that their five-year plan must be implemented. They have given us our full allocation of everything we have asked for this year. This is unheard of, but that is to show that they feel good about what we do, that it is important. We felt good that they felt good, because in fact there is this pay equity commitment within Ontario and that is something that our company feels very strongly about.

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As I heard said here, I do believe that it is an investment in the arts when people buy dollar lottery tickets. They know where they are putting their dollar. It is a game; it is an amusement; they are vital moneys.

I think that it would be a real mistake, as suggested, to put that investment in a kind of box and say, "This is Cleantario and this is Artario," etc. We do not want to compete with hospitals. We do not want to compete with

the environment. We cannot compete with worthy causes. What are you going to say? Of course it is more important that people do not die; but is it more important that a culture does not die?

We have been able to be part of this incredible upsurge of Canadian culture, which is threatened now under free trade, which this government was in opposition to, and we feel that the lottery system and the lottery moneys must stay dedicated as promised in order to safeguard our ability to go on developing our cultural identity as Canadians, and in our case as women.

We agree with the recommendations of the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario that the accumulated interprovincial lottery profits should be treated as a trust or investment fund and the annual interest allocated to culture, recreation, sports and fitness. Certainly this would help the Ontario Arts Council's five-year plan.

I also believe that a third of the profits of all six lotteries should be designated to culture, recreation, sports and fitness, and I do not think that a third is a floor, Mr Reycraft, I think it is a minimum, and a minimum is a whole lot better than nothing.

I would be happy to entertain any questions you may have.

Mr Reycraft: I have a couple of them, if I may. Thank you very much for your presentation. You talked about how helpful—I think the adjective you used was how "vital"—a source of funds lottery grants have been to your organization. If you could be assured that the government's commitment to culture was going to be maintained at a minimum, and preferably enhanced, would you be concerned about Bill 119?

Ms Lushington: Yes. I feel that there is a moral issue here. The profits were dedicated to a certain sector and to go back on that now is an outrage, so I would definitely be concerned. I have not seen any evidence of a major commitment to culture that would make me feel completely comfortable that Bill 119 was not of crucial importance to us in our work.

Mr Reycraft: Your answer leads to my other question. Before I get to it, I would point out that the budget of the culture side of the Ministry of Culture and Communications this year is up from \$240 million to \$299 million. That is a \$59-million increase. In percentage terms it is 24.5 per cent. I think that is a significant signal of the government's commitment to culture.

My question relates to the dedication you talked about. It becomes very clear when you read the minister's statements in 1975 when the Ontario Lottery Corporation Act was placed before the Legislature and when you read the Hansards of the debate at that time that the government intended two things: one, that it would use lottery profits to support culture and recreation; two, that it would not use all of the lottery profits to support culture and recreation.

The record of governments since 1975 tends to support that conclusion. Governments have never allocated all of the profits. There has always been an unallocated surplus of lottery profits. I think that indicates that culture and recreation have competed against health and education and everything else that a government allocates funds for for the last 14 years.

I think it has done very well. It has allowed organizations like Nightwood Theatre to grow and to thrive and to become the successful and



important parts of this province's cultural fabric that they now are. Why is there a concern then, if that kind of competition were to continue under Bill 119? Given the fact it has been so successful in the past, why is there concern that it would not be every bit as successful in the future?

Ms Lushington: I do not really understand your question. It seems to almost say that Bill 119 is not going to make any difference at all, in which case why bother to do it?

Mr Reycraft: Technically, what some have argued is that Bill 119 legitimizes the practice of governments over the past 14 years. In fact, governments have not allocated all of the lottery profits for culture and recreation. They have always allocated some of those profits. The others have gone into the consolidated revenue fund and they have been used for many other things, but the governments over that period of time have always been under pressure to put more moneys into hospitals, to put more moneys into building schools, to provide more money for social support systems. Yet despite all of those pressures, government spending on culture and recreation has grown steadily and significantly. Why should there be concern that that kind of continued growth in spending and that kind of continued support will not continue?

Ms Lushington: It has not kept pace with our costs and it has not kept pace with the extraordinary development in the arts which I think has outstripped anyone's wildest imagination. This is healthy. This is a wonderful sign, but we do not have enough money.

The Canada Council does not have enough money. The Ontario Arts Council does not have enough money. I acknowledge the increase of the government and I acknowledge its allocations to culture and recreation have grown, but not enough. It is not enough. I believe that hospitals and schools are basic rights and I do not see why they should be given lottery-based dollars.

There is a bit of a problem here. I personally think that lotteries are in some ways taxing the poor and I have a lot of problems with it. This is personal; I am not talking for Nightwood Theatre now. However, given that they are there, given that the profits were dedicated to culture, recreation, sports and fitness, I think that to add two new players that should be maintained out of the basic budget of this province is unfortunate. I do not think we have been competing in the same way as we will be competing in the future should Bill 119 go into place.

Just to legitimize current practice is not good enough. Perhaps current practice should be looked at. If not all the profits have been used for the arts and culture and fitness and recreation, etc, why not? That is something I do not understand, but I am not an expert and I have not read all of the Hansards. I would like to have more time to dedicate to finding out some of these facts, but, unfortunately, in a small company there is not the spare time to do all that research.

So I stick to my position on that. I am concerned. I do not like to see a practice that I am not sure is right legitimized and I think that hospitals are extremely worthy and should be properly maintained out of tax base dollars.

Ms Bryden: I would like to congratulate Ms Lushington for her brief. I think it is one of the best briefs we have heard in the entire set of hearings. You have brought to our attention a somewhat little-known cultural group, one that appears to be making a very broad contribution not just to the Toronto cultural scene but reaching out to all of Ontario.



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I think it is quite unique in many of the things that it does; for instance, the fact that it is mainly a women's cultural group trying to assist women, who do not have as many opportunities in the acting field. There are not as many female playwrights as there are male playwrights, yet 60 per cent of the attendees at cultural events are women. It would appear from what you tell us that there is a great gap in the role and the involvement of women in the cultural scene.

You have opened it up in Toronto with the beginning of your collective and now your theatre group and I am very excited by your proposals to develop the black playwright group to encourage them, since there is no Canadian woman playwright who is coloured or black. I think the contribution your organization has made is something that this committee should be very grateful you have brought to our attention and shown what lottery grants can mean in the bringing forth of organizations such as yours.

I know you also had equipment grants and the like, all of which were matching grants, though, I understand, which means fund-raising and other time taken up with working out the applications for those grants. You needed all of them to proceed to your present level. Some of them are going to make you much more efficient, like the computerization grant and equipment grants. I think the tour grant to outreach into the province with a unique organization like yours is very valuable.

You have opened up to us a whole new picture of what is being done in the cultural field for women playwrights, women actors, women's theatre groups. I think it should give the committee pause to think that organizations like this probably would not have got started without lottery grants for culture and recreation. There is no guarantee that I can see in the present legislation that grants of that sort will continue to be available, that there will be any particular funds dedicated to the development of cultural groups of this sort; and, as you say, you will be competing with a thousand, a million other kinds of groups, including environment groups and hospitals and health care and all the things that have been given to in the past through lotteries, but really with the whole budget, because any surpluses can go to hospitals.

As to your last question, you do not know why Bill 119 is going ahead, if it is legitimizing past practices, which seems to be the main defence by Mr Reycraft and others, maybe those past practices should not have been allowed to go on. They probably prevented all sorts of money going to cultural and recreation groups that might have started other groups like yours. Do you really think that Bill 119 offers any guarantee that groups like yours could get started in the future?

Ms Lushington: None at all. No, I think it threatens us, in fact, and I do think it is a time when new groups are finding it very hard to start up and yet there are people artistically ready. In the case of the festival that I mentioned, we have just finished our selection and there is enough good material for a whole other festival. Since many of those pieces have been put into that subgroup because we could not do everybody, many of them are younger women, people who are starting out, people who are newer, who could use a grant perhaps to start a whole other festival so that we are not the only token one developing women's work. There could be many more happening, not only in Toronto but across the province, for sure.

Ms Bryden: I hope that the members of this committee are aware that we are seeking to bring equality into all our legislation and into our government grants. At the moment, women are getting a second end of the stick, shall we say, or a shorter end of the stick, because there are not groups like this available to bring more cultural activities to women and to bring women into the operation of such cultural groups. As a committee, we have to ask what our responsibility is in the equality field and in the development of gender equality.

It will be a very black mark on our record if we do not concern ourselves with that and do not recognize that lottery funds have had a great deal to do with the development of this particular group. It is an example of what needs to be done and, I think, a very strong argument for the dedication of a certain percentage of the lottery funds.

Do you support the alliance's proposal that a third of the funds from all six lotteries should be dedicated to recreation and culture and that any unused surpluses should be divided in this way?

Ms Lushington: We do. We fully support the alliance's position in both regards.

Ms Bryden: It seems to me that if any regularization of past practices has to be done, that is the way to go, to have in the legislation a particular pattern of dedication of the proceeds of all six lotteries and of any surpluses that develop. This would also have the advantage that there would be different funds for different activities. You would not mix up culture and recreation with environment or some of the other things for which we also need dedicated funds. Maybe it would be a separate dedication for the Ontario Trillium Foundation, too.

None of those would be left out because there would still be two thirds left under this proposal for those, but they would have separate dedication so that they would not be competing. I think that is your main point, really, is it not, that there would be a much fairer, more even playing field for cultural groups, particularly small ones that do not have the big appeal of commercial musicals, say? You would not be competing with all the other groups for which lottery funds have been used and which, apparently, this legislation is supposed to be trying to legitimize.

Ms Lushington: Yes, I think the trouble is that we already have been thrown into the waters of competing with causes. How can you compete with a hospital? Why are the hospitals going to the private sector? There has been a cutback in government spending, and I am talking about Canada now, not just Ontario. There are problems now for theatre companies which have to raise money in the corporate sector, to have to go out with their little banners next to the enormous building fund for the Hospital for Sick Children, say, and those sorts of things. So I think it is already a problem to be competing with the hospitals in other sectors. I would like the lottery dedications to remain dedicated in the way they have been and should continue to be.

Ms Bryden: One final point: I think your organization is also an illustration of what we were told yesterday in some of the briefs, that small grants for smaller community groups have a tendency to multiply the effect in the community because they involve more volunteers, they involve the commercial sector as well, and when they try to raise money for their local events, there is sort of a snowballing effect from a lottery grant to a smaller cultural group or recreational group.



I am particularly impressed by the fact that you have now started to develop a corporate support sector which will sponsor some of the plays or which will help you with fund-raising for specific projects or tours. That is something quite new in recent years, is it not?

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Ms Lushington: It is essential now, of course, but we were able to put our corporate fund-raising structure into place in 1984 through our organizational development grant from the Ministry of Culture and Communications in that year. We started it then but now it is becoming more and more essential, and these things take time and they start to bear fruit over the years that they are nurtured.

You make an interesting point about what this kind of ripple effect is. Partly because these have been matching funds, yes, we have had to go out and say to people, "We need to match this grant that we have been given for a specific event or piece of equipment." That is really helpful. It provides a focus for our fund-raising. "We have this money, if you will give us this other money." Obviously, that is why it is done.

I do not want people to take this too seriously, otherwise the government is going to do that with tax-based dollars too, and we do not want that. But in this particular case it is very helpful. You have to be careful what you say, do you not?

However, another thing that it does is, because of the range of grants that have been available to us, for example, the community arts event requires you to get two sponsors from the community, people who might otherwise not think of themselves as being involved with the arts at all. One of the sponsors can be a theatre company, for example, that might give us the space. We are a theatre company at the moment without a home; we go into different venues. But another one could be a company that was involved in race relations, for example, if we were going to continue with our antiracism forum.

It could therefore start a lot of new people knowing what we are about in the arts and opening up what we do to a much wider sector of the community than was otherwise the case. We have very small publicity budgets. We cannot do a lot of audience development through advertising, as you mentioned with the commercial productions that go through town, but with word of mouth and finding new alliances and new friends, which is actively encouraged by the lottery funds. That is what we perhaps would not do except that there is this money which, if we go through these particular steps, we can access for our own development. It really has many intangible as well as the incredibly tangible benefits, such as our computer.

Ms Bryden: To get back to the lottery funds---

The Chairman: We have been going more than 15 minutes with your line of questioning. I think we should give Mrs Cunningham a chance.

Mrs Cunningham: I enjoyed your line of questioning, and I am sure everyone else did, but we are very appreciative to you for coming before the committee today. I think your contribution is far-reaching when it comes to promoting much of the government's policy.

Although I am a member of the opposition party, there are certain



policies we strongly support. It is wonderful to see the private sector come out, raise funds and do the kinds of things you are doing to promote such things as the race relations work you do and I can only say thank you. I think it is just great.

Your responses to Mr Reycraft's questions, I would say, were wonderful. He happens to have a reputation as one of the toughest questioners on behalf—you did say something in your response that concerns me and that I agree with, and that is legitimizing current practice. As a person who has worked, I suppose, on behalf of art galleries, theatre and library boards in my own municipality, which happens to be London, I understand the continual struggle to get the kind of funding that is necessary for programs that are so well received by the public and especially very young children in school systems and what not.

I think you are quite right in coming before the committee. I obviously disagree with the government in what it is trying to do with this bill, and in fact the surplus that had not been expended for what it was meant for is some \$369 million at the end of the 1987-88 fiscal year. That was money that was intended, through section 9 of the Ontario Lottery Corporation Act, to go to just the kinds of things that you believe in. So do not be dissuaded by the arguments and the misunderstanding. That is all section 9 was about.

It is quite true that hospitals are supported by other parts of the Ontario Lottery Corporation Act, some two thirds, and all kinds of efforts to do with health care have been supported. Approximately one third of the money that is raised should have been spent on recreation and culture. I hope you will keep up your wonderful efforts. You have certainly answered the questions, but I just wanted to reassure you, that you seem to understand as well and continue on with that.

Ms Lushington: I just want to say about legitimizing past practice that I also hope that legislation will point the way for the future, which is what we are involved in, rather than looking back to the past.

The Chairman: Our next presentation this afternoon is on behalf of the city of Sudbury, the parks and recreation department. Donald Waddell, the director, will be making the presentation.

Mr Waddell: I have copies of what I am about to say, and probably I can précis a bit of it.

The Chairman: I would certainly be pleased to distribute them. You may proceed. I think we are pretty good at getting caught up. Everyone does not have the coffee just yet.

#### CITY OF SUDBURY

Mr Waddell: You have spent a long day, I am sure. Thank you for your time. I am speaking on behalf of the city of Sudbury as a community and on behalf of my council, which, through the parks and recreation department, spoke up on this particular issue, I think, back in 1986 when the issue was first brought forward. As it has been brought forward again, we brought the situation in front of council for its response and got its permission to speak on its behalf, so I speak on behalf of the city and the city council.

I will go through this in fairly short order. I would like to build a little bit, and I think it is both philosophy and theory, but build it fairly

quickly for you and pull together some very general statements as this thing called recreation has evolved and bring it to the situation which is at hand and show that there is some direction from the government levels, both from a national and a provincial perspective and then at the municipal level.

Recreation in society is rapidly changing, a fact which most people do not recognize until they are brought up short with the consequences of change. In no field do I think this is more apparent than in the field of recreation and leisure. The obvious things are in front of us, such as shorter work weeks; flexible working hours, etc; advertising selling the good life and the fit life, and the expanded older population kinds of things.

These are all fairly strong indicators of the growing demand for, and the consumption of, recreation and leisure goods and services. I think it is well documented that recreation does contribute significantly. It parallels this increase in growth of leisure opportunities and it directs itself to the unlimited potential of recreation to the development of life skills, to the promotion and maintenance of health and independent lifestyles. It certainly enhances the quality of life in our community.

If I take myself through a number of situations that have occurred over the while that I have been involved in recreation and leisure services over the past eight years with my community, back in 1974 a conference of first ministers confirmed the role and meaning of recreation in the lives of Canadians. That is well documented; whether it is well documented or not, there is a national policy statement that is in effect. I only have a photocopy. I would like to have the original document, but I do not happen to have that.

They did affirm very clearly that recreation, as they see it, is an essential social service in the same way health and education are. They made a number of statements that try to put in perspective, though, that a government by no means is the central provider for all recreation opportunities. They stated clearly that the province has a primary jurisdiction, through the municipality, for the provision of direct recreation services. That document is there, and I think it clearly indicates that there is a commitment from a first ministers' point of view.

The second document, Fitness The Future, I came across in researching my material was from a Canadian summit on fitness for the future which was held in Ottawa in June 1986. It was endorsed by a number of fairly significant people—I guess you would qualify Mr Wilson as one of those individuals—who undersigned the bottom statement. It very clearly states: "We, the undersigned, believe in the benefit of physical activity for all Canadians. In light of soaring health care costs, we affirm the need to encourage Canadians to adopt healthier lifestyles incorporating regular physical activity."

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Those conference proceedings were clear. They identified again, through research, etc, that physical fitness does make a significant contribution to the health and wellbeing of Canadians. It takes a multidisciplinary effort with various sectors of the community—whether it is private, whether it is government, whether it is recreation associations, whether it is the school system or whether it is community groups—and working with them together there are strategies that can be developed to make us all healthier. It was very clear: they made the statement that the provinces should continue to commit the necessary financial resources needed.



The summit delegation made a sweeping statement that Canada should take a stand in a global context—which is highlighted here—where it depicted in a very strong statement the vision of fitness by the year 2000. It "depicts a society that values wellbeing as a fundamental and integral part of day-to-day life. Canadian social structure, the family, the schools, the workplace, the health care system, will all enthusiastically embrace and reward daily physical activity and behaviours which contribute significantly to health and wellbeing. Regular physical activity and optimal wellbeing will be ingrained as an important and widely accepted value in Canadian society."

Keep building the information from the province's position. In 1987, your Ministry of Tourism and Recreation, through its policy statement—which is this particular document here, which I am sure you are well aware of—clearly enunciated its position and its policies with respect to the delivery of leisure services.

Your "Community Recreation Policy Statement" recognized and declared the significant potential of recreation in contributing to a person's physical and social wellbeing. It accepted the growing understanding of what wellness is in terms of its approach to life. It accepted the idea that physical activity contributes to reduced hospitalization, fewer visits to the doctor and less sick days.

It established a very clear base philosophy that this thing has to work with partnerships—and the perspective of partnerships was put forward—that the province "must continue to assist municipalities to respond adequately to the needs of their constituents."

It declared, within that, that one of the main objectives of that policy was to be able to continue to "provide financial assistance through a variety of programs, to municipal governments and other" organizations within communities.

In 1988 that was followed up a little bit in a discussion in what was called the Partners for Community Recreation paper, which is this particular document here, which got out a little bit more of the hard data of the kinds of dollars that were being spent as a result of the Ministry of Tourism and Recreation's programs in terms of capital grants for conservation projects and for new projects. It made a number of significant statements in that there is all kinds of documentation there, but it very clearly understood that there were major shifts in Ontario's populations in that the patterns of participation are certainly going to challenge us over the time to come.

It identified clearly that, besides the ministry's dollars being put in, there was a significant capital outlay by the different communities in support of—I am sorry, you can flip it both ways—in support of dollars coming from the capital program, where the ministry was supporting about 22 per cent of the estimated total capital expenditures made by municipalities and nongovernment organizations to drive community recreation facilities.

We have seen in our community, in its parallel with this statement in this particular document, that there was a slight decline in capital spending by the municipality as dollars become tough to find and become scarce in those kinds of things, as we have to service hard services in terms of roads and sewers, etc. Higher levels of recreation capital spending, though, seem to be in the forecast. There are demands out there.



I do not think that the demand for assistance from the province will diminish. For certain, the capital conservation aspects are increasing. The kinds of dollars we can access both from the municipality and through the province are certainly falling well short of the requirements. Again, it parallels that document's statements and it also recognizes that the increase in user fees is starting to creep up. I think there is a problem that is going to occur at some point in time when you look at that universality of recreation. There is going to be a concern for access, access in a very general statement, not access for the physically challenged. That report also recommended very strongly that it continue the financial support programs to its partners.

The municipal responsibility: We are being called upon to intensify our efforts. Our efforts are broadening. I just caught the last part of the brief of the lady who was in front of me. Even in Sudbury, I think we are very strongly being asked to respond to the arts community, to community libraries and to a hopeful development of a heritage museum.

In order to manage our delivery systems, we have undertaken in our community—and I think most communities have, but we can blow our horn too—have established not a municipal community leisure plan by our department but a community plan by community volunteers. It is in about the third year actually right now of developing a community leisure plan. We have documented the first phase of that, which sets out the philosophy and the goals and objectives of how the planning process could occur. We have evolved a very clear statement of where our community should go, from a quality-of-life point of view and how recreation and leisure services can contribute to that. That planning process is in place.

We manage, or I guess I manage, on behalf of the community in a city of 90,000 people, well over \$30-million worth of recreation facilities that are bustling and hustling and quite busy. We operate those services and systems with a \$7-million budget. As a result of that, and maybe because of that, in brief, the capital conservation required to keep those physical plants in order is essential to sustain that kind of response. The usage is still there.

We have just instituted, and I think most municipalities have, a comprehensive life-cycle facility management program where we have identified, both annually and over a 10-year projection, the kinds of capital repairs that will be required; not the day-to-day maintenance kinds of things, but the structural kinds of things that need to be maintained in terms of major facilities, such as pools and arenas. Those replacement costs or those dollars are quite significant.

Our capital reserves, plus the injection of capital dollars from our municipality, are not quite adequate to address that life-cycle plan. The lottery dollars that we receive each year are, I guess, just above the provincial average. We are in the order of about 30 per cent. Of the projects we apply for each year for grants on a 50-50 basis, we receive about a 30 per cent response from the province. An end result of that is that some of the projects just do not occur.

It would seem to me that in northeastern Ontario—as, I would expect, in other parts of the province, but I will speak for northeastern Ontario—not just the new capital grants, but the capital conservation grants are not adequate, as I have just stated. Similar statements, as I have reiterated, could be applied to the new capital programs.

As things are going to continue to shift and change, whether they are societal or otherwise, and growth occurs, growth for new facilities will continue to arise. We are faced in our community with the very real prospect of constructing a purpose-built, multidimensional senior citizens' recreational centre. There is a good possibility, depending on the feasibility study from the consultants, that we will be building a heritage museum for Sudbury and the region. As things grow, new requirements expand, whether they are waterfront, active play space or passive park land, as a result of subdivision growth.

I think in the city of Sudbury, where the lot levy program is being debated now, we are just starting, at least I am starting to get a little bit clued into what that means. When you reflect on what a southern Ontario community might say to that, it is not a north-south kind of thing, but the growth factor, I think, is an order of quantity or the numbers. The subdivision growth in Sudbury is quite active and there are lots of housing developments occurring. The kind of levy that could accrue from that program will not be as significant in terms of gross dollars as it would in a southern Ontario situation, so I do not think we can rely as heavily as we think on the lot levy program. We will have to have a response from the capital grants program from the province.

In conclusion, in very general terms, the benefits and the importance of recreation can be articulated in many ways, such as wellness and health and the kinds of benefits that occur from that. If dollars were spent on a preventive measure, then we would lessen the strain on the health budget. I think those are very real statements, whether they are environmental or conservation kinds of concerns. There is lots of green space around Sudbury, but within the core of the city we are starting to see the need to preserve green space in terms of our heritage orientation. I have spoken to that. We need to recognize and support those heritage concerns for a strong sense of community, for those lifelong learning, participation, individual kinds of things.

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For youth employment, I would suspect quite strongly that that is a very realistic statement, that a significant number of employment opportunities for youth in our province are generated through leisure services departments.

The provincial government currently does not fund recreation services at the municipal level with tax dollars. The allocation of lottery proceeds is already somewhat tenuous, in my opinion. To provide no guarantee through the proposed legislation, in my terms, is a regressive step. I feel it is unfair to withhold and redirect the accumulated \$369 million in profits away from its intended dedication for sport, fitness, recreation and culture.

I must state clearly that I am certainly not against funding hospitals. What we are striving for is the best health care system possible. Addressing some of the causes is certainly a much better strategy. With the support of my city council, I believe the only means of reaching a fair decision for all is by ensuring that the legislation include the following. I am a member of the board of directors of the Ontario Recreation Society. I am well aware of the conditions that have been stated by that consolidated effort in terms of those two statements, as to what should happen to the disposition of the surplus funds and how the allocation of the existing funds on an ongoing basis should be continued. So both myself, as a staff person, and the council of the city of Sudbury agrees with that statement.



I strongly believe that these are essential directions in the support of leisure services here in Ontario. To do otherwise is to compromise the future of health and the wellbeing of our province.

I thank you for your time, and on behalf of our citizens and the council, I appreciate being here. I certainly wish you well with your deliberations. This is the first time I have ever appeared before a committee like this. I know it is a strong statement, maybe a bit melodramatic, but it is not intended. I think part of the future of Ontario is in your hands. Thank you.

The Chairman: Thank you very much for a very complete and comprehensive report. I personally enjoyed listening to you.

Ms Bryden: I am very pleased that you did take the trouble to come to us, to come down from Sudbury and tell us about the work you are doing. I also appreciate your well-researched brief, that you went through previous conferences at the federal level, provincial level and ministers' get-togethers to indicate their view of the importance of recreation in our community and in our whole society and its impact on health, wellness, personal development, leisure time use, seniors and so on.

I think we sometimes forget the dimensions of recreation and how it does reach in to all these fields and must therefore be properly funded and has in the past been left a great deal to the municipalities. I think you have done a wonderful job in building up a good recreation program in Sudbury.

There were a couple of points that you stressed particularly that we have not heard too much about. One is the increase in user fees, which is growing in many municipalities. I do not know what the situation is in Sudbury, but has it been growing because the municipalities are on tight budgets, partly due to the province passing over more responsibilities to them, and is it decreasing access to your programs?

Mr Waddell: That is a very good question. It is a very difficult one, because I think it is a very easy avenue to offset the increased expenditures each year. You just categorically, or uncategorically I guess, keep the ratio between expenditures and revenue from last year, from one budget to the next by upping user fees on a straight percentage basis. At some point, and I think we are quickly reaching the point, we will start to tax the ability of people to be able to pay.

Public recreation is for the benefit of the total community. If it starts to cost \$90 to \$100 for an hour of ice time, there is a good portion of the community that is not able to access that. At some point the benefit that is passed on to people is not being realized. We are just starting to look at that in Sudbury. We are starting to look at the benefit index, as we would call it. That is the basic level of service that a municipal recreation department should provide. How can you equate user fees to ability to pay and equal opportunity for access? I do not have the answers for you, but it is a very real problem.

Ms Bryden: Do you think that lottery funds, which are not tax dollars but come from a special fund put up by those who buy lottery tickets, should be used perhaps to ameliorate the increase in user fees and therefore increase accessibility?



Mr Waddell: Right off the top, I would suggest no. I think lottery funds should be dedicated to the capital aspects, to the capital projects in terms of their new facility development or in terms of the renovation and maintenance of existing facilities, and relieve that burden from the municipality. I think the municipality and its community should then go about determining how it is going to operate those facilities, whether it is local tax dollars or fund-raising activities. I do not think we should stretch lottery dollars into that domain at all.

Ms Bryden: Mainly because you think that the lottery dollars are needed for many other things, such as capital development or maintenance of existing—

Mr Waddell: Exactly.

Ms Bryden: You also mention heritage concerns. Are lottery funds suitable for helping communities maintain heritage, either old buildings or museums or some sort of sense of your past and your history? Should lottery funds be used for that?

Mr Waddell: Again, from the physical plant, from the startup perspective, from building anew in terms of the superstructure to store that heritage in, I think they should be dedicated to that. And back to the user fee one, if you take away those lottery dollars, then you are going to increase the burden of taxes, and as a consequence of that, the user fees are going to go up, so you have to keep away from that.

Back to the heritage again, no, I think you should still stay with the same perspective that they should be there to support the physical, structural aspect of it and maintain support of it from whatever determination it may be. But they should be there for heritage too, very much so.

Ms Bryden: Was it your impression when the lotteries were introduced in Ontario in 1975 that the funds were really dedicated to recreation and culture and that any deviations from that were not necessarily envisaged in the original legislation?

Mr Waddell: From my perspective, I would agree with you. I am not familiar with the nitty-gritty details of the legislation, as was asked in a question earlier of the other speaker. It is our understanding, through the information that we have, whether or not we delved into that, which I think is the responsibility of the government, that those funds are dedicated and that dedicated statement is very real and is very upstanding and to deviate from that does not make very much sense. I do not have much else to say unless I were to really research out that aspect of it too, but I think it should stay.

Ms Bryden: It certainly is true that the original tickets and brochures always mentioned that this was for recreation and culture.

Mr Waddell: It was always purported to be that, was it not?

Ms Bryden: I think people feel that it has not always been adhered to, but we do not need legislation to take it away and not have any dedicated funds for recreation and culture. At least that is my view, that this legislation is misguided, that we should perhaps sort out where the lottery funds should go in new legislation, but not in this way where there is no guarantee that so much would be—I feel that you perhaps are more or less putting forward that point of view.

Mr Waddell: Yes.

Mr Reycraft: Thank you, Mr Waddell, for coming to us from Sudbury to put your views before us. It is unfortunate that Mr Laughren is not here with the committee this week. However, he is away only because his other appointment as chairman of the standing committee on resources development requires him to be in the chair this week and, unfortunately, he is not with us.

Mr Waddell: Okay. I will take him to task.

Mr Reycraft: I too was impressed with the thoroughness of your brief, and perhaps it is that thoroughness that aroused my curiosity about your knowledge of the existing act and its intention. Certainly one of the messages that the committee has been hearing for the last three weeks, or three of the last four weeks, is that the government has broken its promise of 1975- that is when the original act was passed---and the suggestion is made that the promise was that all the profits from lotteries would go for culture and recreation.

I have a couple of questions about that. Do you have any knowledge of why culture and recreation were selected as the beneficiaries of lottery profits at that time?

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Mr Waddell: I am not too sure of the context of the question.

Mr Reycraft: Why did the government decide to say in the bill that the lottery profits were to be available for culture and recreation instead of hospitals, à la the Irish sweepstakes, or something else?

Mr Waddell: That is a fair question. Back in 1975 there was a real rush, so to speak, on the need to develop and respond to recreation facilities, services and programs and there was a lot of demand from just a straight population point of view after the baby-boomers came rushing through the system or came into the school system and started to make those demands on communities for more arenas and pools and so on. Communities started to look, and I am sure governments did, whether it was at the municipal level or the provincial level, at ways to fund those from a capital perspective; to go after those.

I am just going off the top of my head. That is what I am saying: No, I am not aware, I am speculating that if you are going to look for the capital dollars, where would you get them? Could you get them from the province's operating budget? I am not too sure. I am sure that, as there is now, there were all kinds of demands on it. There was an opportunity to raise funds through this particular lottery program to drive the response to the facility needs and to the program expansions and service responses of this leisure system that was upon us. That is probably one of the reasons.

I would hesitate to speculate why it was not dedicated to hospitals. I would want to sit back and really think about that one before I responded to it.

Mr Reycraft: I have a sense from reading the history of the act that it was prompted by two things: first, the success of the Olympic lottery in



the late 1960s that encouraged changes in the Criminal Code of Canada that encouraged all provinces to get involved in the lottery business; and second, the need that the government felt to indicate some use for the funds that would be publicly acceptable and would sort of pacify the moral sensitivities of those who thought that governments had no business getting involved in lotteries anyway, that generally lotteries were bad for society. I was interested in whether or not you had any knowledge of that background.

The other question I wanted to ask---

Mr Sterling: Could I suggest, on the same point---

Mr Reycraft: You will have your opportunity. I would like to follow the line of questioning.

Mr Sterling: Okay, that is fine.

Mr Reycraft: Since 1975, when that original act was passed, governments have allowed a sort of unallocated surplus to build up. You commented on that. Was there any protest from the recreation community in the province about that in the late 1970s or early 1980s, before Bill 38 was introduced in 1986, about not all of the lottery profits being used for culture and recreation?

Mr Waddell: I am not too sure people knew they were not all being used. How that would be common knowledge?

There is a grant program. The majority of the grants are being accessed by municipalities. You are applying and you know there is a capital allocation to regions and it is block allocated. Unless I go in and audit the government, I am not too sure whether I know whether that spends all the money. Who would have known back in those particular times whether those funds were accumulating? I do not know how you would be able to get a response back then if you were not even aware of it, so I do not think it would be a sense of frustration at that time because I do not think it was common knowledge at that particular time.

I think those funds have built up over the years. I do not think I am prepared to comment right now as to why the government would continue to do that kind of thing, but demands were certainly there. There are charts you could chart out and say, "Well, these are the requests for grants and these are the grants that are allocated." You get 100 requests for grants and only 50 are approved, and then you also get some other kind of comment, "Well, these are the net profits of the lottery at some point and it has accumulated dollars to it."

I do not know why they were not spending it. We were not aware until the mid-1980s that this was occurring, because you would make application and maybe you applied for five grants, say, from the city of Sudbury and you had two or three approved. You certainly would ask the question, "Well, why weren't they approved?" The answer that came back was, "Not enough funds available," meaning that not enough funds were allocated to the program. Then you started to ask the question as to, "Well, give me the financial breakdown as to what are the net profits from a provincial basis and how come it is not being distributed."

It is actually a fair question and needs a little bit more thought to respond to.



Mr Reycraft: Certainly the annual profits being made from lotteries would have been available. That is always published as a part of the annual report of the Ontario Lottery Corporation.

Mr Waddell: But why it is not allocated I cannot answer for you.

Mr Reycraft: I suppose the amount of lottery funds that the Treasurer allocated in 1976, 1977, 1978, etc, could only have been obtained by asking the Treasurer of the day.

Mr Waddell: Yes. I am sure the data are there. I think you have to ask that of yourself, and I am not trying to be bold at all. I would ask that back to the government why the funds were not allocated, why the dedicated funds, or the net proceeds that would pool from the dedicated lottery, based on good grant criteria and rigorous review of each application that the applicant could support the ongoing operation costs—once you have built an arena, can you operate this thing for the next two years? There have been problems like that. I think that has been part of the backlash of this thing. I would like that kind of a response back from the government as to why. Anyway, that is a different discussion.

Mr Reycraft: No. I have the data on the unallocated surplus on an annual basis.

The Chairman: Mr Reycraft, we should wind up this line of questioning. You have taken a while.

Mr Reycraft: Okay, I will. I was just interested in knowing whether or not knowledge of it existed in the recreational community and whether or not there had been any reaction to it.

Mr Waddell: I think only sparsely.

Mrs Cunningham: It is probably a fairly good question. The only thing I can add—and thank you for coming—is that in the first five or six years there were actually a couple of years when there were more grants made than what the revenue was.

Mr Waddell: That is true.

Mrs Cunningham: For a long period of time, at least until 1981-82, it took them that long to get it balanced again and after 1982-83 they basically spent about 80 per cent. At least by the one year that I was involved in trying to get the numbers, 1983-84—and I remember by the time we finally got the books, which was about 10 months into the next fiscal year, it did not really matter, but we knew—they had not expended some 10 per cent of the budget in that particular year and it was one of the better ones.

I think right now, though, I admire you for coming. I suppose what one should be doing in these times is finding another way on top of this of allocating money for fitness and health.

Mr Waddell: Exactly.

Mrs Cunningham: I should just tell you that two thirds of the lottery moneys that are gathered in Ontario in fact do already go and have gone for a period of time towards health care. It was in 1986 that the Liberals, by way of process more than by way of any contravention of the law,

actually used the money that supported health and environment-related health research, hospital building equipment, senior citizen housing and the Trillium Foundation. This is the two thirds that we are not talking about, that are not section 9.

In 1986, instead of sending the money to all of those different groups, they changed the policy and now the proceeds from the intraprovincial games are paid to the consolidated revenue fund with no specific provisions attached to their allocation. So for two thirds of the money that is collected by the government now there is no specific provision attached to its allocation when, before 1986 at least, the practice had been that it did specifically go to support health, environment-related health research, as I have stated.

Now this bill, of course, is trying to take the one part that is left, section 9—that is all we are talking about, which is specific and you are quite right—and put it into the consolidated revenue fund, which now will give you no hooks at all, really. The point is that if there is a surplus and if one talked about legitimizing the practice of not spending what is there, which has been the practice, if we were to spend less on sports, culture and recreation, there would be even more that would go off into health care if this bill is passed.

By the way, if we took all of the money, the whole surplus—well, I should go back to 1986-87, when it was \$247 million. If we took that, that is about a little over one per cent of the total health care budget, so hospitals are not overly excited about this. I think what has happened is that the public has become enthralled with the idea of putting more money into health, but it is less than one per cent of that particular year's budget, 1986-87, for which we have the auditor's reports.

1600

I am just saying you are quite right in being here, I support you, I wish we had daily phys ed in our schools and—

Mr Waddell: We are the only country in the world which still does not have that.

Mrs Cunningham: Looking at prevention I think it is extremely important and I think one of the intents initially was a healthy society. I thank you for all of the good information that you provided today.

The Chairman: Mr Sterling, you twitched there a while ago. Do you still want to say something?

Mr Sterling: Yes, I still want to twitch.

Having had some experience in the former government, and I was first elected in 1977, the history as I heard it with regard to the lottery was that there were a number of factors leading to the decision about recreation and culture in terms of special groups.

One of them was the preventive health care concept in that we were heading towards a larger and larger health care bill and there was nothing being done in the preventive health care end and recreation facilities were seen as a very important part of encouraging people to a better lifestyle and health.

The second one was that in a lot of the communities in Ontario the arenas were falling down: the curling rinks, the skating rinks and those kinds of things. The Ministry of Labour was going in and condemning a lot of these places and the capital costs were just too great for the municipalities to pick up, so some capital program was needed.

I think that the history of the grants is extremely important, because if you look at the constant dollars that were given to this program, in spite of increasing revenues in the overall lottery scheme of things, the constant dollars tailed off in around the 1981 to 1983 period. The answer is simple. At that time we went through a recessionary period.

That is why I think the fight on section 9 is extremely important. I do not think that recreation and culture groups have as much to worry about this year or last year or the year before in terms of grants but will have a great deal to worry about if in fact we face tougher economic times in the future. If you do not have a section 9, as you have in the act now, to hang your hook on or to have your minister go and argue for a fair shake, then I will say that your allocation of dollars will be less than it would have been, taking the scenario of the 1981 to 1984 period of time, because I know that at that time the Treasurer wanted to squeeze Wintario and the other grants even more than in fact took place.

Where else do you look to squeeze the budget? You always look to the capital expenditure side. That is historic in terms of what all governments will do. It is much easier to cut the capital spending than it is the others. Look at the other budgets of the Ministry of Transportation, etc. Those were the groups that were getting squeezed during the period of time.

Therefore, your fight for section 9 is vital, particularly if in fact we go through rough times. If we do not get some kind of amelioration to this legislation, I just think you are out of luck in terms of future capital funding during rough economic times, and I think that is so clear when you look at the figures that were presented to us by the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario. If you look at their brief and you look over their dollars you will see, in effect, a flattening during the 1981-83 period of the constant dollars, in spite of the fact that the fund was increasing rapidly during that time. What was really happening was the Treasurer was taking the good part of those lottery funds and using them to make his budget look better. That is what will happen in the future too.

The Chairman: In recognizing Mr Farnan, I would like to point out for the committee's consideration the fact that Jennifer Wilson, one of our researchers, put together current issue paper 83, which is entitled Lotteries: The Bid for Exclusive Jurisdiction in Canada. A lot of this historical information is nicely summarized on two pages, 5 and 6, in that paper. This was given out to all the committee members quite some time ago. I found it interesting reading.

Mr Farnan: I too enjoyed your presentation.

There was an old woman who swallowed a spider

That wriggled and wriggled and tickled inside her.

She swallowed the spider to eat the fly,

I don't know why she swallowed the fly,

Perhaps she'll die.

I think this little analogy—I would equate the old woman to the Ontario Liberal government. I would equate the swallowing of the spider to Bill 119,



which is causing considerable distress to one section, a very large section of Ontario, the arts and cultural community. The spider was swallowed to eat the fly, and the fly is basically what you refer to as the unspent, unallocated surplus in the lotteries.

Perhaps she will die, maybe as a result of the discontent and the trouble that is being caused to the members of the body, the arts and the cultural community. The old lady will actually, as a result of this, reap a reward that would be very undesirable for her. Perhaps that is the next election.

I just want to say a word or two on the unspent, unallocated funds. We have had some discussion in these terms as to how you should define what happened to those funds. Some people have a perception that the government stole the funds. Some people feel you should not say the government stole the funds, because that might be considered unparliamentary language. But the real question is there was money actually designated to culture and recreation. That money is not there any longer.

Where is the money? Who took the money? If the person took the money that was designated for sports and culture and recreation and fitness and applied it to something that it was not intended for, is that stealing? Obviously these are serious questions, and the cultural and recreational communities have every right to be aghast that (a) the funds that they clearly felt were designated for their use are no longer there and (b) the government admits those funds are gone.

Basically, I want to thank you for your comments. I wanted to put into the record just a few words as to the unallocated funds. I found your dialogue with Mr Reycraft interesting. I thought your answers were right on the ball. The standard line when groups applied for a grant and they were rejected, although they met all the legitimate requirements was "insufficient funds available." The extraordinary thing, of course, as all members of this committee are shocked, was that while these thousands of letters have been churned out as "insufficient funds available," the government was actually using the funds that were designated for culture and recreation and applying them to whatever it wished. Certainly, one would have to conclude that this is not the way to build a relationship or a partnership with the hundreds of thousands of volunteers who wanted to trust the government, but their trust in the government, they find, has been misplaced.

1610

The Chairman: A final comment or question by Mr Callahan.

Mr Callahan: There is no question that when Wintario started up, clearly on the tickets they had swimmers and dancers and the whole bit, and at the time the lottery bill by the Conservative government was introduced, the only lottery you had was Wintario. At that time, the conclusion was, or the legal opinion was that lottery meant just Wintario. Subsequently there has been a rethinking of that in terms of it meaning interprovincial as well as intraprovincial. If you accept what I have said, and I think you should, because it is correct—

Mr Farnan: He swallowed the spider.

Mr Callahan: —then you can look at a document that was prepared for us not by any partisan person on this committee but by our research officer,

who serves this entire committee. If you look at that, and I do not know whether anyone could perhaps make one available to this gentleman so that I could go through it with him—could you give him yours? Here, just give him that, if you do not mind. I would like you to take a look at the fact that starting in 1985—and that is when our government—

Mr Waddell: Table 2?

Mr Callahan: Yes, table 2. That is when we formed the government. If you look under Wintario, you will see that in 1985 the revenues received for that lottery—we actually exceeded that amount in terms of how much was given out, and you will note that that did not occur in the years before that. You will see that back to 1975. The revenues always exceeded the expenditures.

Mrs Cunningham: Are you talking about Wintario now?

Mr Callahan: We are talking about Wintario or Lottario.

Interjection: Two years.

Mr Callahan: I am sorry, two years, yes. I beg your pardon. It has been drawn to my attention that in 1978 and 1979 they did, in fact, allocate more than was taken in.

Mrs Cunningham: You did not use the Instant Games number.

Mr Callahan: Pardon?

Mrs Cunningham: You have not got the Instant Games in.

Mr Farnan: Or you have not calculated the \$400 million that—

Mr Callahan: No, I know. I am talking about Wintario. I am just saying Wintario was what was established under the lottery act. That was what everybody concluded and groups thought was being dedicated to sports, recreation and so on. If you look at our government's track record from 1985 through to the present proposed budget of 1989, in each case, the revenue received is exceeded by the moneys expended. Can you see that?

Mr Waddell: I can certainly see where the figures—

Mr Callahan: Those figures are not figures that have been produced by this government. Those are figures that have been produced by research for the benefit of all members of the committee. In essence, at this point, the government's track record has been that it has provided the funds from that lottery and exceeded the funds from that lottery. So, in essence, the people have received those funds in excess of the revenues from the lottery.

Mr Farnan: The delegation is being confused, Mr Chairman.

Mr Callahan: For some reason, the spider has difficulty.

The Chairman: Are you going to be very much longer?

Mr Callahan: No. But I think it is important to draw that to your attention and the fact that the government's track record—and I think you have to rely upon track records in terms of determining what the future may hold. It has been one of escalating amounts for culture, sports and

recreation, and it is not a situation where there have been holdbacks or withdrawals or cutbacks.

Granted, the new interpretation puts all of these lotteries into the field of lottery. But under the former legislation, assuming Bill 119 was not passed at all, if we were to withdraw that bill today, you would be in no better position. In fact, I suggest you would be in a worse position, because the former bill simply said "moneys to be available," whereas the present bill, according again to our research officer, gives the funds to culture, recreation and sports and the Ontario Trillium Foundation, and if at the end of the fiscal year, there is any surplus left over, it goes to hospital operations. I just put that out to put the whole thing in proper perspective.

The Chairman: Mrs Cunningham, last word, quickly.

Mrs Cunningham: You are in trouble, Mr Callahan. The point is this: The three lotteries that are involved in section 9—which is all we are debating today, section 9—are Wintario, Lottario and the Instant Games. Therefore, the only way one can interpret it is to take a look at the funds collected by those three.

Mr Fleet: They are all included now. That is what the opinion of the Attorney General (Mr Scott) was about.

Mrs Cunningham: No, Lottery grants and revenues. That is another issue; that is the issue of the whole picture. We are only talking about section 9 right now.

Mr Fleet: But it affects both types; that was his opinion.

Mrs Cunningham: No. This Bill 119 refers to the Ontario Lottery Corporation Amendment Act, and it is section 9. That is it.

Mr Fleet: But the Attorney General says it applies to both types.

Mrs Cunningham: If you want to argue the other part, these people are talking about section 9.

Mr Fleet: So are we.

Mrs Cunningham: If you want to argue about the other one, we can take all the bits and pieces, but that is not the argument today.

The Chairman: I think this has been a helpful clarification and I would like to thank the presenter very much.

Mr Farnan: Can I have clarification, please.

The Chairman: Just a moment.

Mrs Cunningham: Mr Chairman, there is one other reference to the Trillium corporation that should be clarified.

The Chairman: Just a moment. I would like to indicate to Mr Waddell, you were not under any duress for the last 20 minutes. If you want to get up and leave, feel free to do so.

Mr Waddell: I think this is very interesting.



The Chairman: We are overtime by about 20 minutes, and everyone should realize that.

Mrs Cunningham: The courts will look at practice. In fact, when the Trillium corporation was excluded as part of the practice of the government prior to 1986, the Trillium corporation—which was part of the intent of the act, this is the grey area—did get money every year. Since 1986, because of the practice of the government, the moneys have gone into the consolidated revenue fund. The Trillium corporation has had nothing. That is why in this new section 9 it is being specified as a group that is worthy of receiving funds from lotteries.

Mr Fleet: Because section 9 applies to both sets of funds.

Mrs Cunningham: Section 9 refers specifically to exactly—and you can take a look—"to be available." Mr Waddell, you might be very interested to know—

The Chairman: Mrs Cunningham, really, I think you have had more than your fair share of time.

Mrs Cunningham: No, I think Mr Waddell has to go back to his group and tell them how uninformed this Liberal government is.

The Chairman: You can talk to him privately.

Mrs Cunningham: I will give him the original amendments where they tried to change—

The Chairman: I would like to acknowledge Mr Farnan for a moment, and then I am adjourning for today.

Mr Farnan: I will be much briefer than my colleague the member for London North.

I listened carefully to my good colleague and dear friend Mr Callahan and his explanation, and I think I understood that what he said was this: Under the old act, the government was able to take the unallocated surplus, and under the new act, it will be able to take the unallocated surplus. Basically, while Mrs Cunningham shakes her head, let me tell you, the fact of the matter is the government took the money. Bill 119 actually legitimizes and legalizes the movement of the funds away from culture and recreation to other uses. Under this new act, it gives the government even more freedom to do with the funds as it wants, and that is a tragedy.

The Chairman: There being no further comment or questions from the committee, I would like to indicate to the committee that our starting time tomorrow morning is 10:30 am. The first deputation has cancelled. I would like to adjourn at this time until that time tomorrow morning.

The committee adjourned at 1620.



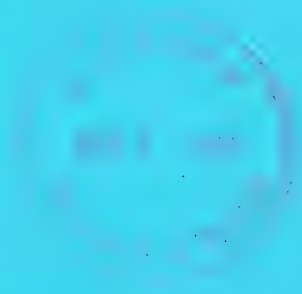
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STANDING COMMITTEE ON GENERAL GOVERNMENT

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989

WEDNESDAY 4 OCTOBER 1989

Morning Sitting





STANDING COMMITTEE ON GENERAL GOVERNMENT

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Cureatz, Sam L. (Durham East PC)

Fleet, David (High Park-Swansea L)

McLean, Allan K. (Simcoe East PC)

Ruprecht, Tony (Parkdale L)

Sola, John (Mississauga East L)

Substitutions:

Cunningham, Dianne E. (London North PC) for Mr Cureatz

Farnan, Michael (Cambridge NDP) for Mr Charlton

Reycraft, Douglas R. (Middlesex L) for Mr Cordiano

Sterling, Norman W. (Carleton PC) for Mr McLean

Clerk: Carrozza, Franco

Staff:

Anderson, Anne, Research Officer, Legislative Research Service

Witnesses:

From the Performing Arts Development Fund of Toronto:

de Peralta, Armando, Executive Director

From the Woodstock Public Library and the Woodstock Public Art Gallery:

Bonanno, Tom, Chief Executive Officer, Woodstock Public Library

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Thursday 4 October 1989

The committee met at 1037 in committee room 2.

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989  
(continued)

Consideration of Bill 119, An Act to amend the Ontario Lottery Corporation Act.

The Chairman: The chair recognizes a quorum. I would like to welcome you to the standing committee on general government. We are having hearings at this stage on Bill 119, An Act to amend the Ontario Lottery Corporation Act. Our first presentation this morning is on behalf of the Performing Arts Development Fund of Toronto. Armando de Peralta, the executive director, and Jacqueline Baby, the operations co-ordinator, will be giving the presentation. Did I do all right?

Mr de Peralta: You did fine.

The Chairman: Thank you very much. You have 30 minutes for your presentation. If you choose to use it all, fine. If you do not, I am sure the committee members will have comments or questions.

THE PERFORMING ARTS DEVELOPMENT FUND OF TORONTO

Mr de Peralta: First, I would like to thank everyone for allowing us to come and represent what we would consider to be the overwhelming interests of the nonprofit and professional performing arts community in Toronto.

Quite correctly, just to reiterate, my name is Armando de Peralta. I am the executive director of the Performing Arts Development Fund of Toronto, which is a nonprofit charitable organization founded in 1982. To my left is Ms Jacqueline Baby, who is our operations co-ordinator.

Now, I completely appreciate that there have been at least 100 groups who have come and gone to represent their own interests and their own mandated or perhaps membershopped constituent interests. Probably by the hundredth, the message to oppose the act, I am presuming, becomes more of a drone than anything else. I see that it is probably the same painting with slightly different shadings, slightly different colours, but essentially the same shape and composition.

Given that, I would like to be given, with your permission, the small indulgence to read everyone an arts-related story that appeared in the Globe and Mail, which should do nothing else than to prove to everybody that there is a humanity left in the arts and that it is not merely pretentious and certainly in need of all guidance. It is brief and, frankly, somewhat humorous, and hopefully it should start everyone's day with a bit of a kick. This was in the Globe and Mail, 3 October 1989. This appeared, for the record, as a New York Times Service story.

The article reads: "Met's fiery Aida never misses a beat." As the chairman and honourable members of the committee will acknowledge, Aida is

scheduled to be performed in this city very soon.

"Some unexpected excitement flared in the fourth act of Aida at the Metropolitan Opera House on Thursday night, when one of the enormous braziers perched on tripods on either side of the stage flamed up like an outdoor grill with too much charcoal lighter fluid.

"Backstage technicians turned off the gas that fuels the two braziers, but the fire that began as a small finger of flames spread along the side of the bowl of one of them.

"Dolora Zajick, the Amneris for the evening, kept singing, although she glanced nervously upstage to the flaming prop. At one point, James Levine, who was conducting ducked into the pit and made a hurried telephone call.

"Finally, the chorus of priests marched back out on stage. Lurking behind the priests, who spread out across the stage in case they needed to form a bucket brigade, was a man seriously out of costume, crouching behind the chorus and trying to look inconspicuous carrying a fire extinguisher. As the chorus tried to cover him from view, the fireman"—courageously—"fought the blaze.

"True to the traditions of show business, the Met fireman kept his bursts with the extinguisher short, apparently trying to time them to coincide with the forte passages the chorus was singing and end them when Zajick sang alone.

"There was no mistaking the loud whoosh of foam from the fire extinguisher as part of the orchestration, however, and the audience that had been somewhat alarmed at the outbreak of the fire found it hard to contain its amusement at its quenching.

"Throughout it all, no one on stage or in the pit missed a beat."

The relevance of that article is pretty light at this point, I have to admit. I wanted to tell you, first, that we also have a sense of humour and that after 100 groups representing recreation and culture, you have to understand that we are the first to laugh at ourselves and not take ourselves quite as seriously as we appear. Having said that, I am about to take myself and this issue extremely seriously.

The Performing Arts Development Fund of Toronto is, as I said, a nonprofit charitable organization which specifically, in our case, is mandated to encourage and promote the nonprofit and professional performing arts in Toronto, as the title suggests.

After you look at the four-tenet mandate and you consider its content, really, one phrase would summarize its entire thrust, its entire intent, and that is audience development. In 1982, when a group of Bay Street executives and extremely respected arts administrators identified the need and, in fact, the problem, which was essentially to increase, support and encourage increased arts attendance, the two camps got together, both the corporate camp as well as the art camp, and chose to begin an organization based very much on a model which had met with great success in New York City.

That model in New York City is referred to as the Theatre Development Fund. The way you may know it is that it is a partial sponsor of the Tonys in New York City, but more important from our perspective, it is the founder and



essentially the inventor, for lack of a better expression, of the TKTS ticket booth in New York City, which provides half-price tickets on the day of performance to various shows on Broadway.

The Performing Arts Development Fund of Toronto knew a good thing when it saw it, and in 1982, the very first project it undertook was to own and operate Five Star Tickets, which is on the corner of Yonge and Dundas, generously sponsored by American Express Canada Inc. You can tell we have a very tight agreement with our corporate sponsor.

The intent of Five Star Tickets was essentially to sell seats which would have otherwise remained unsold on the day of performance and to sell those seats at least at some sort of a price, at half price in this case, so that seats that would not have sold would at least generate some form of revenue. At least those seats would generate a revenue which is essentially found income.

We are finding—and we had hoped at the beginning, and indeed we were correct to hope that—the people who are buying the seats are not able to afford at all times full-priced tickets or who are apprehensive about exploring or discovering the professional performing arts in the city of Toronto. What we are finding is that easily between 75 per cent and 80 per cent, after conducting surveys over the years of the people who frequent our Five Star outlets both at the Royal Ontario Museum and at Yonge and Dundas, are people who fall exactly into those categories. They are either students, people of limited resources or elderly people, people again on a limited income, over the age of 65.

The reason I am giving you that outline is to give you an example of what the Performing Arts Development Fund of Toronto's flagship project does. When PADFOT first began the Five Star Tickets operation, very few people had any idea that Five Star Tickets would actually end up returning as much as \$1 million each year to the professional performing arts community. Again, Mr Chairman, I remind you and the rest of the committee that that is \$1 million of found income; that is, income that the community would not have otherwise received. That is money on seats which would have otherwise remained unsold.

So because of Five Star Tickets, the \$1 million each year is returned to the various producers who participate in the booth and who allocate a certain portion of their tickets, their unsold seats, to the booth on a daily basis.

The point I am getting to, actually, is that the Five Star Tickets booth was constructed and sponsored almost entirely by Wintario funding. In 1983, a year after the Performing Arts Development Fund of Toronto began and was established, the organization launched and properly completed its Five Star booth. And again, by absolutely no coincidence, and with our gratitude to this day, the province of Ontario was behind us and provided an enormous amount of Wintario funding in order to see this project get off the ground and moving.

The Minister of Culture and Communications—I should say probably the Minister of Citizenship and Culture at that point—Susan Fish, was savvy enough to realize that that was good leverage, \$100,000 or \$90,000 of Wintario funding compared to the \$1 million returned at the end of each year. In the private sector that is considered to be quite an investment, with great dividend. Certainly in the artistic circles it was considered to be one of the most savvy things to do, since right at the moment the province certainly did not see anything with that immediate sort of effect, being able to invest \$90,000 into an artistic concern and seeing the community benefit 12 months

later with an extra \$900,000 being returned.

Having said that, there are other organization projects that we undertake. We have, again with the kind sponsorship of the province of Ontario, undertaken a massive computerization of our operations. I think after having studied all the mid- to large-sized box office operations, not merely Five Star type operations, of which we are the only kind in Canada, but in fact just any sort of live theatre or live performance box office operation in Canada, I think there was an awfully nasty conspiracy to make us the very last box office in the nation not to have a computerized system. Recognizing that, the present Ministry of Culture and Communications was kind enough to recommend to the minister that we should be given capital funding for the computerization of the Five Star outlets, as well as our office operations, so that at least we would be brought out of the era of the dinosaur and into the present era of technology.

That is a further \$88,000, and at this point we are looking at a combination of \$90,000 and \$88,000. Not only will that \$88,000 from the Ministry of Culture and Communications enable PADFOT and the office operations of PADFOT to operate, but one of the promises, one of the moral obligations we took when applying for that sort of funding for the computerization was to make the technology available to other arts groups in the area so that computerization would not be merely a thought in their minds, since they could not afford as much money as we had been able to get from the province.

In fact, to this day, we have tons of inquiries and a number of questions being asked each and every day about when other nonprofit arts organizations in the city can book time on our computers, when they can make themselves available to the technology of the computer for marketing purposes, for research purposes, for reasons of direct-mail marketing. These are all the technologies and methods that the smaller to mid-sized arts organizations are trying to implement in order to properly market themselves and, indeed, to properly finance their own operations.

1050

If it had not been for the \$88,000 that the province has kindly given us for the computerization, none of the various arts organizations—and we represent a constituent membership of as many as 195 various performing arts organizations in the city—would have access to that sort of technology. There are, sure, four or five—the Toronto Symphony, the National Ballet, the Canadian Opera Company—which have been lucky enough and established enough to be able to afford that sort of technology.

However, that leaves approximately 190 other small to mid-sized arts organizations that are nowhere near being able to afford that sort of technology and which now have access to that technology so that they can properly manage themselves and go from a small to mid-sized status to perhaps one day a larger status where, in fact, managing their own resources, their own talent will become something that is so organized, so well-structured that they may not have to attend or go to the various levels of government for funding, or at least for as much funding.

But now, more than ever, that funding is important to the various constituents. A step taken in that direction, and yet another good investment, was to give an arts service organization such as the Performing Arts Development Fund of Toronto the opportunity to be able to serve its constituents, rather than giving all the constituents computer technology on a



separate per-entity basis.

Of course, if we had been able to do so, I would certainly have argued that every group should have that access to its own personal technology. But the fact is that we can provide it. It was a good investment that we made on behalf of the province and something that we are very happy to be able to provide now to small to mid-sized arts organizations, which without spread-sheeting, financial analysis, marketing and that sort of thing, as I say, would still be in a terrible dilemma.

It goes without saying that without Wintario's support, the building of Five Star Tickets and the return of \$1 million each year to the nonprofit and professional performing arts community, the provision of computerization technology—other projects include a public awareness campaign held on a regular basis to bring to the fore, to the public awareness, that one of the most vital and essential arts communities in North America is in Toronto and is a source of pride, not only of this city, but of Ontario itself, if not Canada; and even an internship program, which we take very seriously.

We have all heard of the internship programs, of course, in medicine and other medically related fields. There is also an internship program related to the arts. Wintario provides that funding, so that it makes organizations such as the Performing Arts Development Fund of Toronto responsible for teaching people who have yet to properly undertake the responsibilities of arts administration and arts management. We undertake the responsibility of teaching these people how better to understand the overall business side of arts.

In fact, the Performing Arts Development Fund of Toronto is about to undertake yet another series of seminars and another series of classes which will hopefully teach the small to mid-sized arts organizations how to properly administer the business side, how to properly co-ordinate the business side of the arts. We can all be artists, we can all be poets, we can all be dancers, we can all be painters, and if we cannot undertake the business responsibility of being able to execute and to conduct ourselves artistically, then in this capitalist society, and I am behind it, we have no real chance of being able to properly, financially and viably ply the art. Business has become, to many people in arts administration, as important as, if not more important than, the art execution itself.

The internships, the seminars, the building of Five Star Tickets, the public awareness campaigns, the computerization—those are the sorts of projects which Wintario has sponsored in the past. The seminars, I do not mean to mislead the committee, have yet to receive approval from the ministry.

But my point is that if we are supposed to accept that organizations such as our own or client organizations of ours that have applied for funding for projects as worthy and as needed in the cultural community as anything from their own marketing campaigns to their own fund-raising campaigns to the printing of literature and that sort of thing—if those sorts of needy projects for the cultural community are being denied on the basis that there is a lack of funds, then there is something terribly wrong with a \$400-million surplus in the coffers right at the moment for interprovincial-related lotteries for organizations that mean well, that conduct themselves correctly, that meet all the criteria of Wintario and other interprovincial lottery-based grants.

If these people do not even have a chance after meeting the criteria and



properly conducting themselves in the cultural community as grant criteria suggest, as common sense suggests and even as their boards of directors suggest, if they have done everything correctly and it is just a case of there not being enough money in the coffers, no money in the inn, as it were, then of course people will point to the \$400-million supposed surplus and say: "Mr Chairman, there's something terribly afoul. A community is acting absolutely in character, absolutely to the letter of propriety and to the law and to expectation, and we know there is a theoretical \$400-million surplus in the kitty and for some reason they are not eligible to receive it."

The concern is that when the lottery act was established in 1975 and it was understood that proceeds from that act, or specifically profits from that act, were to be dedicated to culture, sports, recreation and fitness, to my mind it was understood as a piece of legislation. It was an act, it was a binding piece of legislation.

I know that when private citizens of Ontario fall afoul of legislation, when they fall afoul of things that have already been said, concrete commitments made by government, laws of the land, those people get into trouble. When people fall afoul of private sector morality or private sector code of ethics, that is to say, mismanagement of funds, etc—when I say "mismanagement" I do not mean misappropriation, I just mean the mismanagement of funds—or indeed the refusal or the long-term delinquency in being able to return an IOU, as was the case in 1975 when in essence the government IOUed much of the surplus that was in the funding coffers, people would be considered to be delinquent in their financial responsibility, delinquent perhaps even morally.

What I say is that the Performing Arts Development Fund of Toronto strongly opposes the passage of this act and reminds the committee that if indeed the Performing Arts Development Fund of Toronto ever fell afoul of the public trustee because of legislation passed relating to the public trustee and his obligations to nonprofit charities, we would certainly be held accountable and sent to the various authorities for the various punitive procedures.

In so far as we are concerned and members of the arts community are concerned, we see this act as being essentially a change of the law to fit the convenience of various interests so that, essentially, if they do not want to maintain a moral obligation or a legal obligation, members of provincial Parliament are in a marvellous situation to merely change it rather than live up to a commitment made many years ago in 1975.

To close, we endorse the recommendation of the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario to treat interprovincial lottery funds of \$400 million as a trust whose interest could be allocated to culture, recreation, sports and fitness. We recognize that this is probably the best way to go, since the \$400 million would certainly be a difficult thing to come up with on a moment's notice. At least its interest is possibly something we could realistically work with and consider as an ongoing contribution made to the interests of those four groups. Those groups were, of course, initially dedicated to receive those funds.

We appreciate your having listened to us. You probably have not heard the drone. If indeed I can answer any questions, I would certainly be happy to.

The Chair: Thank you very much for your presentation. I do have a couple of comments or questions.

Ms Bryden: I would like to say bravo for your opening number to get our attention. I think that was a very good performance based on the New York Times article.

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I am very pleased that you came before us to tell us about the Performing Arts Development Fund of Toronto. You are not a terribly well known group, I think, so it was very useful for you to come and tell us what your mandate is: to encourage and promote nonprofit and professional performing arts and audience development, which is also very important, as well as to build up your development fund.

The thing about your presentation is that I think you have told us a great deal about how lottery grants contributed to the beginning of your activities and how other grants from the Ministry of Consumer and Commercial Relations have enabled you to become much more efficient in the performance of your role. Therefore, the lottery dollars that you did get were very well spent.

If you are able to extend computerization or access to computerization to smaller groups that cannot necessarily afford to build up their own, any lottery dollars they get will also be spent efficiently and will spread much farther. I think somebody who appeared before us yesterday mentioned that there is a ripple effect from lottery grants being used in the way your group has used them. Your development of efficiency is essential in this world today. If small nonprofit performing groups are denied access to this kind of efficiency, inevitably they will not be able to keep up with the big commercial competition.

I think your Five Star Tickets project is a very important example. You have told us that it generates \$1 million a year which goes back to the companies whose tickets you are selling at half price on the day of the performance, but it also goes to increasing audiences and to help those with low incomes, such as students and seniors, who could not afford to attend those performances. So it very much has a ripple effect and I think the lottery grants should be given a great deal of credit for permitting the development of this program.

What I would like to ask you is, do you feel that it is absolutely essential to have a portion of the funds from all six lotteries now that come under the Ontario Lottery Corp, including interprovincial lotteries? Is it not desirable to have a portion of those funds looked at as a total lottery pot, shall we say, which comes from a nontax source but to have a section, a substantial portion of it, dedicated to the original purposes of lotteries when the act was passed in—when was it? Anyway, the lotteries started in 1975. Do you think that it is absolutely essential to have a portion of those six lottery proceeds dedicated to recreation, culture, sports and fitness?

Mr de Peralta: I would like to thank the honourable member for having led the witness, and of course I completely agree with her. I think she is absolutely right. My only feeling is that, if anything, I would wish to disagree more vehemently in her favour and say that my understanding of the act as written in 1975 was that all proceeds and profits from the lotteries act were dedicated specifically for culture, recreation, sports and fitness, and not to be redirected or rechannelled to anyone else. In so far as I am concerned, the moral and legal commitment remains that until Bill 119 is indeed revised and amended.



If ever there has been a time when the cultural entity of Canada, and indeed of Ontario, is for ever questioned because we are worried about being diluted à la Américaine, etc, there is a time certainly to look at the theoretical \$400-million surplus on paper and to say some of that must now help the efforts and strengthen the gestures in being able to reinforce that striving for identity, reinforce that striving for Canadian culture.

So the answer to that question is yes, I certainly do agree with the honourable committee member.

Ms Bryden: Well—

The Chairman: You do not have too much time for a line of questioning today, Mrs Bryden, so one more?

Ms Bryden: When they were established, it stated that the proceeds from the interprovincial lotteries were to go for a variety of things besides culture and recreation. You may not be aware that in 1986 the government did pass legislation saying that those proceeds were to be dispensed by the Treasurer in the same way as all the proceeds are under Bill 119; that is, at the decision of the government, the Treasurer, with no guidelines at all—as one person the other day said, at the whim of the provincial Treasurer or the government—so the purpose of Bill 119, we are told, is to regularize the situation by legislation as to how the interprovincial lotteries shall be allocated.

What we feel is that we do need regularization, because a lot of the activities in the past have not been under legislation, and section 9 of the original bill is still there, but if regularization is needed to legitimize what has been happening in the past without any guidelines, do you feel it is important to have guidelines and dedicated funds, particularly for culture and recreation, sports and fitness?

Mr de Peralta: Yes, I do and I am glad you bring that up. It has come to my attention, and certainly the attention of many of the organizations in the cultural community, that the wording of the act is conveniently vague in that of course it would allow the expenditure of funding, pending the passage of that act, to go to various recipients far beyond the scope of culture, recreation, sports and fitness.

We would certainly have no problem with that if indeed the area of culture, recreation, sports and fitness were in just the best of health itself. We would certainly be happy at that point then to say, "Well, we don't need the money, other organizations do."

Again, bringing us back right to the very fundamental of 1975, it was our understanding that the spirit and the letter of the act was such that specifically culture, recreation, sports and fitness would benefit. Not only have we not benefited to the full extent of its capacity, but now we are being told that we are not going to benefit from the full extent of its capacity and in fact a good portion of that funding will go elsewhere. I think it is a terrible injustice in morality.

Mr Sola: Mr de Peralta, I would like to congratulate you on the eloquence of your presentation. During your presentation and also in your responses to the questions from Mrs Bryden, you have maintained that there was a commitment by the government and you maintain that the letter of the law also pertained to that commitment.



I would like to read to you from a research paper given to us by the research officer about amendments to the Ontario Lottery Corporation Act, 1974, pertaining to section 9. There was an amendment moved by Mr R. S. Smith—a Liberal, by the way—that

"section 9 be amended by the addition of a comma after the word 'direct' in line five of section 9; and that the words 'to be available' in line five be struck out and be replaced by the words 'and the total of such funds shall be used as directed in the estimates of the ministry.'"

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I would like to ask you two questions. Where do you see the commitment in that, by the acceptance of the comma or by the rejection of the rest, where the Liberal member specifically asked that all the funds that were generated by the lottery be expended for the purposes expressed and that section was turned down?

Mr de Peralta: As I can understand it as I see it here before me, when we talk about "as directed in the estimates of the ministry," I am presuming that the estimates of the ministry would again be dictated in fact by the letter of the law, which of course is the Ontario Lottery Corporation Act I am looking at. If I had seen the actual full act in front of me, I am presuming that that act would of course commit to, again, culture, recreation, sports and fitness and that if the ministry were to handle or conduct itself in anywhere near a moral or legal way, it would understand that its estimates of any expenditure would have to fall within the commitment and the obligation and indeed the category of culture, recreation, sports and fitness.

In so far as we are concerned, what we are really doing here is not talking about the amendment of the act, but instead we are really talking about whether the estimates of the ministry fall within the moral guidelines of culture, recreation, sports and fitness. In so far as I am concerned, I have always known Ontario's Legislature to be an extremely moral body and I am quite sure it has made the decisions in keeping with the estimates of its ministry and the estimates of its ministry would of course be in keeping with the legislative acts that are beholden to it and that it is beholden to. Without having studied the act and its amendments any further, I am afraid that is at this point the best I can do to answer your question.

Ms Bryden: But that 1974 amendment was not passed.

Mr Sola: That is what I am saying; the amendment to specifically designate all the lottery profits was not passed. That was in 1974.

Mr de Peralta: For clarification then, what we are saying is that the words still read "to be available"?

Mr Sola: Right.

The Chairman: That is right. The money goes into the consolidated revenue fund to be made available for—

Mr Sola: So from the inception.

Mr de Peralta: The words "to be available" suggest to me that there is a commitment there. I have to tell you, Mr Chairman, that I have been told on numerous occasions by various members of the arts community that this "to be available" issue will arise. The ladies and gentlemen in this room, for

some reason or another, seem to pride themselves on this point.

This is a dumb point. "To be available" in any English language suggests to me to be available. It is not a possibility of not being available. There is not a potential that the funds will be available at a later date.

When I say to somebody in a verbal contract, "I will be made available to you in order to render services," and a witness witnesses that verbal contract being struck, I can be taken to court and told that I said I would render services and make myself available. There is absolutely no thought that there is any ambiguity in the word "available." By the way, if I ever argued that, a judge would look at me and try to laugh me out of court.

The Chairman: A further comment, Mr Sola? We are running out of time here.

Mr Sola: Yes. Which do you see more clearly? Which clarifies the situation, "to be available" or "total"—whatever that is—"total funds to be expended"?

Mr de Peralta: I would have to study the history and find out the rationale behind why somebody would recommend the wording of "and the total of such funds shall be used as directed in the estimates of the ministry," but at first blush I admit "to be available" strikes me as being the better wording at this point. It is a wording that obviously the arts community has lived with since 1975 and right at the moment I do not think we have any problem with the anatomy of the act itself.

Mr Sterling: I think the whole argument over the wording is silly as well. I think there are two base questions. First, under the old act do you believe there was a commitment on the part of the government to allocate a certain amount of lottery funds to culture and recreation?

Interjection: A certain amount?

Mr de Peralta: I am sorry, I was being distracted. Could you repeat your question again, please?

Mr Sterling: Do you believe that under the old act there was an obligation on the government of Ontario to allocate some funds from the lottery proceeds to culture and recreation?

Mr de Peralta: No. I believe that all funds of the interprovincial lotteries were certainly supposed to be allocated—

Mr Sterling: Okay, yes. I fudged it a little bit, because even the Attorney General (Mr Scott) was not certain as to inter- and extraprovincial—

Mr de Peralta: No, I believe that all funds of the interprovincial lotteries were certainly meant for that.

Mr Sterling: Okay, if that is what you believe from the old act, you believe under the amended act that we get out of this obligation?

Mr de Peralta: As far as I am concerned, they certainly can get out of this obligation. No legislative team is going to be quite so imprudent as to say, "Now we are out of the obligation." It would be completely unwise politically and otherwise to say we are going to make a written point of



ignoring culture, recreation, sports and fitness. But certainly they have allowed themselves the conduit to go elsewhere. That is my answer.

Mr Sterling: So do you believe in general then your groups are overall losers through the amendment of this act?

Mr de Peralta: If my very presence and the past 40 minutes of my droning has not suggested that, then I will repeat myself, "Boy, are we losers, and big, absolutely." We have a \$400-million surplus theoretically, which is supposed to be on paper, that we have yet to receive, and it looks like we are not going to see it. We could have used that money back when the Shaw Festival was on its last legs and when Stratford was on its last legs and when Factory Theatre Lab was about to go belly up and when the other arts organizations in Windsor—for instance, the Windsor Symphony—were about to go bankrupt. But no, that \$400-million surplus was not to be found. Boy, could we have used that money. You bet we could have used that money. Yes, we are losers—big.

Mr Fleet: The overall funding level, according to information provided through the research officer for this committee, when looking at the figures from table 3 on the memorandum we received a day or two ago indicated that—

Mr de Peralta: I would just like the record to show that I do not have that memorandum here in front of me—

Mr Fleet: I appreciate that. I am making reference to the other members of the committee so they will know which page I am looking at.

The figures indicated appropriations that were for the 1988-89 year totalled \$454 million in three ministries, and in the 1989-90 estimates it goes up another almost \$70 million. Those expenditures have increased in the last five years, on average, some \$32 million a year, which is 8.8 per cent, and that is spending levels, both lottery and non-lottery, on recreation and culture and artistic matters. It indicates the intention and the track record of this government—the Liberal government—in this area. I think that in the final analysis, that is what counts.

I will not go into all of the legality pertaining to the words "to be available"—in fact they were considered to be critical as to their impact. If the alliance wants to take a look at Hansard for 6 February 1975, it will see where the Liberals proposed that there be a complete dedication and where the government of the day said, "No, we do not want to do that." It was Mr Welch who said he did not want to do it, and ironically the NDP said it did not want to do it, and they intended not to do it. So the issue of "to be available" is in fact rather material, but the key point is that the questions from Mr Sterling were as to your beliefs and, in a sense, to your fears.

What I want to say to you, and I am not going to have time to go through all the information, is this bill does not in fact change the position of the arts groups like your own and the reality is that the programs that are in existence before Bill 119 comes up will still be in existence afterwards. The track record of the government speaks for itself, and the commitment of the government is really what matters in terms of funding in this area and, in fact, in all areas. So that will not be changed. This is not the coming of an ice age, so to speak, in this area.

Mr de Peralta: I have to pounce on that wording, that the track



record of the government speaks for itself. It certainly does, sir. The various arts organizations come to see us, 50 and 60 at a time each year, to say that their projects have been denied funding despite the fact that they have met criteria, because there is no money in the inn, and yet there is a theoretical \$400 million surplus, and there is no money there. Yes, of course, the track record of the government speaks for itself. When we talk about an 8.8 per cent increase in funding for the arts community, I am presuming, although I do not know for sure, that does not take into account that bugaboo inflation. If it does not take inflation into account, we are talking about essentially a three, 2.8 or 2.9 per cent increase in funding.

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Mr Fleet: That is twice the rate of inflation.

Mr de Peralta:: All right. As generous—

Mrs Cunningham: But not as much as your budget goes up—

Mr Sterling: How much has your revenue gone up? By about 10 or 11 points.

Mr Fleet: The lottery profits were projected for this year to go up \$15 million and the expenditures \$7 million.

The Chairman: I am going to exercise my prerogative here as the chairperson to thank the delegation very much. Our next presenters are waiting patiently behind you. I have the feeling you are getting into something that is going to last a while here. Thank you very much.

Our next presentation is on behalf of the Woodstock Public Library. Tom Bonanno, the chief executive officer of that facility, will be making the presentation.

For the benefit of the committee, the Toronto Arts Council, in the name of Liz Amer, cancelled out this morning, and that was the reason I allowed the previous presentation to go a little bit over time. I may not give you the same luxury this time. Carry on, Tom, whenever you are ready.

WOODSTOCK PUBLIC LIBRARY  
WOODSTOCK PUBLIC ART GALLERY

Mr Bonanno: My name is Tom Bonanno. I am the chief executive officer of the Woodstock Public Library and the Woodstock Public Art Art Gallery. I have only recently started in Woodstock; prior to that I was the chief executive officer at the Fort Erie Public Library. Over the past years I have worked quite a bit with lottery-based grants through different organizations and seen the impact these grants have both on the organizations and on the community at large. Later on I will go into a number of specific examples of the impact they have had.

Needless to say, Woodstock Public Library board and staff are opposed to Bill 119; they are on record as having been opposed to Bill 38. Prior to my current employment, the board of Fort Erie was opposed to Bill 119 and to Bill 38. There are a number of reasons for this opposition.

Lottery-based grants are used, by and large, for special projects in

these organizations. In Woodstock, grants have been used and are being used for developing management and boards through skills development grants whereby people are able to go to annual conferences and workshops and improve their skills at what they do. Currently the art gallery has an internship grant whereby the management of the art gallery can improve itself and develop in a way that it would never have been able to.

Grants allow organizations to keep pace with technology and building needs. Technology, while it is great, is one of the hardest things for libraries to adapt to. Each new technology represents enormous amounts of money required to keep the pace that the public using these facilities expects. The technology and improved building facilities allow the organizations to become much more cost-efficient. For example, two days ago the Woodstock Public Library was able to put an automated computer circulation system on line. This was the culmination of five and a half years of work done by the staff and the board. It is replacing a 40-year-old manual system.

The payback on the system will be less than five years. The increased level of service to the public is already being noticed. As a matter of fact, the public supported this project with \$50,000 in contributions. A lottery-based grant for \$70,000 made the project possible. It was under the automation program for small libraries which the Minister of Culture and Communications has had for the last four years.

Recently, this grant program was a prime example of underfunding by the lottery corporation. There were 29 applications that came in for phase-2 implementation lottery funding this past spring and only seven were awarded. For the past two years, the ministry had realized that these applications would be coming since the grant program was ending, and yet there was no money available. After the budget, an additional \$1.5 million was put into this to make the funding available.

Four days ago, the Woodstock Public Art Gallery installed its first outdoor sculpture. This work, by a Canadian artist and entitled The Ancient Ones, explores the trading relationships between native cultures 2,000 years ago. There was a huge reception on Saturday in Woodstock, a great turnout by the public. The importance of this to a small southwestern Ontario community cannot be overstated. This was made possible by an \$8,000 grant through the lottery funding.

The issue is pretty simple to people in libraries, art galleries, museums and other cultural institutions. As the previous gentleman stated, we are not in a position at this point where we have lots of money and are achieving the initiatives that we have set out to achieve. We are basically right at the beginning. Libraries are a clear example of this.

As more and more demand comes on these funding programs, the grants are reduced per library. For instance, the Woodstock Public Library has a videotape collection development grant. These grants have been reduced over the last couple of years since they were introduced. Videotape represents, in our services, a form of visual literacy. We are not in the business of competing with private stores. We provide information in a different format to people who cannot read, to people who are new to this country and people who have learning disabilities.

Newcomers are another area. We have books in various languages, made possible through multilingual grants. These often help newcomers adjust to their new country and their new community without trauma. The art gallery is



currently hosting a show of seven women artists from the local area who have spent the last 10 years working together to develop their painting skills. Without the gallery, they would have no place to provide a local point of view.

Essentially, the organizations that I work with and that I am talking about provide for the health of the society. We are not in the business of bringing people back from illness; we are in the business of providing mental stimulation and wellbeing. We service people of all ages and all backgrounds. We provide for people's health through self-education. We provide alternatives to members of society, alternatives to the use of drugs. We are an asset to the government and to the people of the province. We preserve the past through local history collections.

But our biggest problem is the perception that people have of what we do, that somehow our services are not as important or as needed as the services of the health care industry in the province. This perception is an image problem that libraries and art galleries and the arts communities and sports communities understand. Changing these grants will only continue that image.

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Over the past four years, the art gallery has averaged somewhere in the neighbourhood of about \$20,000 per year through various grants for art acquisitions and, through training programs and equipment, equipment and training which will allow the gallery to improve its services and become more cost-efficient. The library too has averaged approximately that much money and has achieved efficiencies.

We are faced at this point with a major building expansion that is needed. We are operating in buildings that are 25 to 30 years old, that are cramped. Our staff, due to poorer conditions, have recently unionized. We are facing increased costs and we need the funding through grant programs that provide the extra portion of money which allows projects to be possible in the community.

Just to jump back a little bit to the years I spent at Fort Erie, the grant programs there were well used. The community facilities improvement program grant, which is a lottery-based grant for community facilities improvement, provided \$180,000 towards a million dollar expansion program. While \$650,000 was donated locally, the biggest question that kept coming up over and over was, what was the local government's portion and what was the province's portion?

People are willing to support these organizations financially to avoid future debentures, future interest payments on facilities, but they want to see what the stake is at the local and provincial levels. The limitations on funding through capital projects and various other grants mean that there is less interest locally. Essentially, this committee has a chance to paint what the future will be for the organizations people such as myself work for. I hope your decision will be in our favour.

Mrs Cunningham: Thank you very much for appearing before the committee and bringing your point of view. I always find it interesting when I see someone from a library. I never think of library directors as being nearly aggressive enough. It is wonderful to see you here, as your colleagues appear before municipal councils across this province, as usual pleading for money.



I am a former member of the London library board and the Lake Erie regional library board, so I know a little bit about what you do. I can only say that I am in complete sympathy with the position of the cultural and recreational groups and that you will probably be told later on today that some eight per cent was spent on culture and recreation; you have heard it before.

Just as something that you can use in your own community that I am using in London, if you do not mind my taking just a second instead of asking you a question, I found it very difficult in representing London North because the idea of the money going to health was one that was difficult for our groups, culture and recreation, etc, to stand up against. What I was able to do after a number of weeks was to get some good information which I shared with my community. Hopefully, we now have a different point of view, even though we have had a couple of petitions.

One was that up until 1986 the proceeds from the interprovincial games were paid into the consolidated revenue fund and they were used to support health and environmentally related health research, hospital building and equipment, senior citizen housing and the Ontario Trillium Foundation. That is what I found out. After 1986, however, the Liberals did change the policy and now proceeds from the interprovincial games are simply paid into the consolidated revenue fund with no specific provisions attached to their allocation.

I would think that one of the arguments we will be using is, why do not they use the proceeds, which are about two thirds of \$1.3 billion, for what they were meant to be? Go back to the old policy and put them into health-related research, support, prevention, those kinds of things. They have that choice. Right now they are in a general fund.

What they really want to do is take this other part, which is the Lottario, Wintario and the in-Ontario games, and use that for health, which of course there is a tremendous amount of sympathy for. What we should be doing is saying, "Use the two thirds for health and leave the other third for what it was meant for."

You have a responsibility somehow to get the message out. It was not so difficult in London, once we informed them, and I am even saying that those tickets should help culture and recreational drawings-on as they did in the beginning. That is sort of the stand we are taking. We have in fact at least neutralized people who did not understand that two thirds of the money used to go to health and does not and now this other third that should go to health probably will not either, and everybody is a loser that way.

That is all I can say. To put it into perspective, for the last year that we had the audited books, in 1986-87, the net profits from the games in Ontario amounted to \$166.2 million, which is less than 1.5 per cent of the total budget for the Ministry of Health in the fiscal year.

Really, if we are looking at 1.5 per cent of the total budget, even if they take lottery money and put it in health, there is no guarantee that the total budget for health will increase.

If you can somehow get to the Woodstock community, I am handling London and my colleagues are handling what they can in the rest of Ontario, it is as simple as that and there has not been enough money spent on culture and recreation. Congratulations and good luck.

Ms Bryden: I would like to congratulate Mr Bonanno for his very excellent presentation, not only of the plight of the Woodstock Public Library but of other Woodstock organizations, such as the art gallery and the arts council.

I think the main point you have made to us is that there has not been sufficient money flowing through to these community organizations from the provincial government or from the municipality or from the local government; that the serious underfunding of all these organizations puts them in great jeopardy unless they have the backup of supplementary funding from a dedicated amount in the lottery fund. Is that your main point?

Mr Bonanno: Yes, it is.

Ms Bryden: What I wanted clarification on was, you mentioned that in your area there had been 29 applications put in.

Mr Bonanno: That was province-wide.

Ms Bryden: I was not clear who these applications were for. Were they for lottery funds for specific libraries or what were they for?

Mr Bonanno: They were library applications for implementation funding for computer programs across the province by 29 different libraries.

Ms Bryden: This would presumably come from the ministry rather than from lottery grants, though, would they not, but because you were not getting them from the ministry, you were asking for lottery grants?

Mr Bonanno: Our program was a lottery-based grant program.

Ms Bryden: It is a lottery-based grant program.

Mr Bonanno: It has ended now.

Ms Bryden: You said only seven were awarded. What was the reason given to the others, or was any reason given?

Mr Bonanno: The reason was that there was not enough money available.

Ms Bryden: That seems to be the answer that many, many applications for lottery grants and lottery-based grants are getting. That seems to indicate there are not nearly enough funds dedicated to recreation and culture. I think if we want to ensure that, we are going to have to replace Bill 119 with a bill that does dedicate a specific amount for recreation and culture in the original objectives. Have you any recommendation as to the percentage of the total six lottery amount of \$1.3 billion that should be dedicated only for recreation, culture, sports and fitness?

Mr Bonanno: We support the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario.

Ms Bryden: Which is one third of the six lotteries. Since in the past it has not been covered by legislation, we really need a new bill that would make that clear and would not also leave you competing with other groups that also need grants from that \$1.3 billion. Would you favour a separate designation only for culture, recreation, sports and fitness?

Mr Bonanno: Sure; yes.

1140

Mr Fleet: It is interesting that the NDP would take a new position now, since when the bill originally came up some 12 years ago the NDP said that it was opposed to it, and I quote from Fred Young, "We felt this money should not be earmarked specifically for this kind of activity."

Ms Bryden: Our ideas are not cast in stone.

Mr Fleet: I am pleased to hear that. That is progress, I guess.

Mr Sterling: Neither are yours.

Mr Fleet: The reality is that this bill has been perceived by your group, and many groups, as being a portent for cutting down to a dollar tomorrow.

Mr Bonanno: No, I do not think that is specifically it. I think the way we perceive it is that there is more revenue flowing in than is being allocated to meet the needs and this artificial reserve is being created. I can understand keeping a reserve against the time when lottery revenues may be reduced at some point, but continually to budget less when there is a real need —

Mr Fleet: I understand your point. The problem is that the government of the day in 1975, at least according to Hansard, did not intend to spend all the money it raised. From the comments we have heard from many, many groups, the perception I have as a committee member is that somebody may have come and told your group or the arts and recreation communities in general that yes, it all would be spent that way. That was neither what they said in the Legislature nor what the practice was from day one. What is called the notional surplus, because it does not really exist, has always been there. They have never spent all of the amount accumulated from the internal—

Mrs Cunningham: They spent more in two years.

Mr Fleet: Thank you very much for the interjection, Mrs Cunningham. The total notional surplus has never been eliminated at all, and the figures provided by the impartial—I might add—research officer indicate that, and they speak for themselves again.

It is not just the lottery funds that matter, in my view, but the total spending of the government. The reality is that the total spending on arts and culture and recreational areas has gone up. I think you were in the room when I quoted the early figures, so I will not repeat them.

I also hear you very much about making applications and appearing to qualify. We understand that there are other criteria that are perhaps not communicated as well as they might be. That is something that has come up from other groups and that is one of the benefits to this hearing process. I very much have a sense of the concern and the desire for more money.

Mr Bonanno: I guess the lottery funds are used for the normal operational funds, are they not? What you are saying is that of the total amount of money that is expended, a big portion of that is operational money that comes in the form of grants. Woodstock library receives some \$80,000 a year.



Mr Fleet: Other tax-generated funds; that is correct.

Mr Bonanno: But these are special--project types of grants, initiatives that allow organizations to kind of keep pace with today's world and today's expectations of the taxpayers. For instance, a building project is a once in a 15 or 20 year exercise that is required to modernize buildings that were put up 25 years ago and are not energy-efficient and not handicapped accessible; they are not doing the job. The capital moneys that are available allow organizations to modernize and in effect become more efficient and put less demand on operational grants in the future.

Mr Fleet: I guess the key element, the key perceptual difficulty with the bill, is that there is a fear that this bill means that the amount of funds is going to be cut back.

Mr Bonanno: Capped.

Mr Fleet: Or capped; either way. There is nothing inherent in this bill that does that at all. Under the current legislation the government could cap, without Bill 119, and it could do it or not do it after Bill 119, but Bill 119 does not do that. All Bill 119 really does is rectify the practices that have taken place. It does not really do anything other than that, albeit I hear you as to the perception and we are conscious of that difference.

One of the other benefits of this process is that the attributes of particular funding programs are something that the ministries—not the Treasury, which is generating this bill, but the other ministries, like Culture and Communications—are able to monitor. So the groups come forward and say, "Gee this program used to exist. It doesn't exist any more. We'd like to have it back," or "We're making application under another program and it doesn't work out as well as we would like it to." That kind of commentary is quite useful in order to have an opportunity to improve individual programs.

I thank you for taking the time to come here, and in fact other groups as well, because it is useful in that sense and it gives us a better sense of perhaps how we ought to be tailoring programming and the process of making application and whatnot so that it better suits your organization's needs and desires. Thank you very much.

The Chairman: I believe Mrs Cunningham would like an opportunity to make the record more complete. I compliment her on her restraint. I requested quietly that she do it this way rather than by an interjection and she has been co-operating, so I appreciate that.

Mrs Cunningham: I am sure my colleague will be most interested, in his perusal of Hansard, to know that the lottery grants and revenue 1977-78 to 1986-87 have been audited—these are for section 9 purposes only—Wintario, Lottario and instant game. This is the section 9 dollars.

In 1977-78, total revenue \$71 million; grants made \$64.1 million, which is 90 per cent allocation. In 1978-79, total revenue \$46 million; \$71.8 million grants made, and that is a negative. Otherwise, they have spent \$25,875,000 more than what they had.

In 1979-80, total revenue \$62 million; grants made \$65.78 million, another negative of \$3.7 million. Then in 1980-81 we get on track again, total revenue \$116 million; the grants made were \$61.8 million, for 53 per cent. The reason they did the 53, looking back on the record, was that they had to catch

up. Otherwise, they owed the fund money. They had overspent it. By the way, it was a Conservative government that was responsible then.

Mr Fleet: Why do you not tell them what the cumulative balances were?

The Chairman: Mr Fleet, be recognized by the chairman.

Mrs Cunningham: The cumulative balance from 1977-78 for 10 years over 1986-87, and these are the audited records of the government, shows a surplus of \$247.8 million unallocated funds. The reason for section 9—there are two reasons; no one wants to talk about the second part, where they talk about the transitional clause—is to give the government the power to disburse, actually, with the unallocated surplus, which they cannot do now. Even though it is true it is in the consolidated revenue fund, it cannot be disbursed because the law will not let it happen. Therefore, that is why we need not only the changes to section 9 but part II of the bill, which is a transitional clause to disburse that money.

I will give you this page and you can take a look at it. The last audited year, 75 per cent was allocated; 1985-86, 81 per cent; and yes, you are quite right, we have not always allocated it out. It is most interesting to see how the government tries to justify it. I am not justifying what the Conservatives did over that period of time at all. I apologize for it.

The Chairman: I will just direct back to Tom for a reaction.

Mr Bonanno: As to the prior comments about the the funding and the operational grants, Mr Nixon was a guest at the Ontario Library Association annual conference last year and he himself was surprised to find out that the provincial portion of local library budgets has gone from something like 19 per cent 12 or 13 years ago down to somewhat less than eight per cent now due to erosion through inflation and capping grants for a period of time during the recession. That is what troubles most of us. Any kind of capping or limiting ends up being—

Mr Faubert: Is it per capita

Mr Bonanno: Per capita, per household.

Mr Faubert: Yes.

Mr Sterling: I really believe that the public libraries are one of the great services that we have been able to have in the province of Ontario. I was really quite pleased that Wintario assisted, in the community that I represent, in helping build four or five libraries in my riding over the period of time that I have represented it.

Most recently, in the early 1980s, about 1983-1984, we built one in my own home town of Manotick costing something like \$350,000 and Wintario kicked in half the money for that. It is probably the widest-used service by anybody. I think Manotick probably boasts the highest readership of any library in Canada, as I understand it.

Notwithstanding that, you know that we have had great economic times over the last four or five years in our province. This government has increased its revenue by an average of about 10 per cent a year. Do you think that the level of grants that we have experienced in the past through programs like Wintario will continue, particularly if times go down as they did in the



early part of the 1980s? Do you think that without section 9, libraries will be looked at as kindly as they were during that period of time, if you lose section 9, by this government or any future government, because there will not be any legislative mandate? Do you think you will be dealt with as kindly as you were then?

Mr Bonanno: Based on past experience, no. I do not know if this group is aware, but the Ontario Library Association, with the Ministry of Culture and Communications, is currently working on a strategic plan. This will be done by the spring. I chaired the marketing issue team to look at how libraries can create five-year and 10-year marketing plans so that they can become even more relevant to their user base and formulate a service plan for services so as to not put money into areas that may not be as necessary.

But the feeling in the library community is that after a year and a half to this point of work on this plan, if there is not the money to implement, the whole exercise will have been a waste of time. Right now libraries do very little in terms of promotion and advertising. Money is really required and needed. Based on your comments, in the past grants have been almost adequate but it has not been a golden age. We are just kind of getting to a point where we can get things started at a level with automation and various other initiatives.

The Chairman: I would like to take this opportunity to thank you, Tom, for a very interesting presentation. I think you represent a very important segment of the cultural community out there because of the combination of the library and the art gallery concept in Woodstock.

The first presenter mentioned that this must be becoming a very boring exercise. After today it will be more than 100 presentations. We also have had 126 written dissertations that some of us have taken the time to read through. As a person who has done all of that, I would like to assure you that it has not been boring at all for people like ourselves, because a number of us on the committee have obviously, from our comments, worked in the area for a good number of years. It has been a fascinating exercise to go back and find the historical precedent for going after lottery money in the first place and the evolution from the first Wintario kind of lottery into six of them: three of them inside the province and three of them outside the province, Canada-wide. There has been a very complex change to the whole area.

So personally, from a chairman's position, I found it fascinating and very informative. I think it has been a great exercise because no two of the groups have come with exactly the same presentation although a lot of them have come with exactly the same recommendations. I think, from a funding point of view, the interesting part of it, as a person who has done a lot of fund-raising for various groups, is every group comes to us with a different combination of sources of funds for it. This lottery-based funding is just one part of the funding for every group because of the nature of it. I think it has been helpful and I really think that after 14 years of this kind of funding being in place it has been a very valuable exercise. I thank you for your input to that process.

Mr Bonanno: Thank you for the opportunity.

Mr Sterling: Can I just say that in our Manotick library they raised \$160,000, half the cost of the library, in five weeks.

The Chairman: We have heard fantastic stories like that, day after day, on the committee. It is really great.

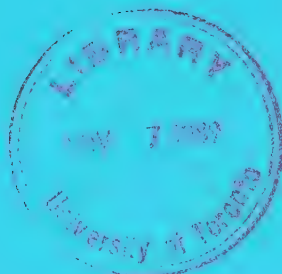


Before I adjourn for this morning, we have had a reasonably relaxed time in that first there were four presentations which were reduced to three and that was reduced to two. We do have six, and as far as we know, they are all coming this afternoon. So I would like the committee members to be here at two if they can. I will be very strict with the timing unless we have further cancellations this afternoon. We will adjourn until promptly at two o'clock this afternoon.

The committee recessed at 1155.



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STANDING COMMITTEE ON GENERAL GOVERNMENT

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989

WEDNESDAY 4 OCTOBER 1989

Afternoon Sitting



STANDING COMMITTEE ON GENERAL GOVERNMENT

CHAIRMAN: Elliot, R. Walter (Halton North L)

VICE-CHAIRMAN: Faubert, Frank (Scarborough-Ellesmere L)

Bryden, Marion (Beaches-Woodbine NDP)

Callahan, Robert V. (Brampton South L)

Charlton, Brian A. (Hamilton Mountain NDP)

Cordiano, Joseph (Lawrence L)

Cureatz, Sam L. (Durham East PC)

Fleet, David (High Park-Swansea L)

McLean, Allan K. (Simcoe East PC)

Ruprecht, Tony (Parkdale L)

Sola, John (Mississauga East L)

Substitutions:

Cunningham, Dianne E. (London North PC) for Mr Cureatz

Farnan, Michael (Cambridge NDP) for Mr Charlton

Reycraft, Douglas R. (Middlesex L) for Mr Cordiano

Sterling, Norman W. (Carleton PC) for Mr McLean

Clerk: Carrozza, Franco

Staff:

Anderson, Anne, Research Officer, Legislative Research Service

Witnesses:

From the Young People's Theatre:

Moss, Peter, Artistic Director

From Central Neighbourhood House:

Grist, Lin, Executive Director

From the Canadian Association of Professional Dance Organizations:

Poole, William, President

Johnston, Robert, Director

From the Tom Thomson Memorial Art Gallery:

Mitchell, Margaret, Director; Member, Board of Directors, Grey Bruce Arts Council

From Major Roadworks Inc:

Snell, Peter, Artistic Director

From the City of Burlington:

Olmstead, Jim, Acting Director, Parks and Recreation

From the Burlington Cultural Centre:

Pietrzak, Ted, Executive Director

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday 4 October 1989

The committee resumed at 1411 in committee room 2.

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989  
(continued)

Consideration of Bill 119, An Act to amend the Ontario Lottery Corporation Act.

The Chairman: I would like to welcome the people in attendance to the standing committee on general government. We are considering Bill 119, An Act to amend the Ontario Lottery Corporation Act and we are at the hearings stage of that. I suggest that perhaps our first presenter, on behalf of the Young People's Theatre, namely Peter Moss, the artistic director, might want to begin. Everything is recorded in both English and French, and I have been advised by two or three of the committee members, at least, that they are going to be detained a bit, so we might save a little time by starting.

YOUNG PEOPLE'S THEATRE

Mr Moss : I am appearing before you as the artistic director of Young People's Theatre and as a parent concerned with the quality of the arts and arts education in Ontario. I am here to register my opposition to Bill 119. I would like to familiarize you with how vital to the success of Young People's Theatre lottery funds have been.

Young People's Theatre is currently entering its 24th season. Our operating budget is nearly \$3 million a year, comparable to that of the Vancouver Playhouse, Manitoba Theatre Centre or the Grand Theatre in London. We have 15 full-time, 15 seasonal and over 25 part-time employees, and we engage 100 performers, directors, musicians and designers each year. Our programming includes six main-stage productions and four Ontario-wide tours, which play to a total audience of approximately 200,000 young people and their families.

The YPT theatre school enrolls 800 students each year, and approximately 500 teachers use our ancillary services, such as study guides, open houses, workshops, backstage tours and outreach programs. Many new Canadian plays have been commissioned in workshops at Young People's Theatre and gone on to become mainstays in the repertoire of other theatres across the country. As the first and the largest theatre for young people in Canada, YPT is recognized both nationally and internationally as being the leader in the field.

In 1977, Young People's Theatre first made Canadian theatre history by becoming the first and only theatre for young people in this country to perform in and manage a fixed venue. The property at 165 Front Street East in downtown Toronto was once a Toronto Transit Commission streetcar garage and stable and had stood vacant for half a century. The transformation into a theatre auditorium with offices, box office, restaurant and shops for wardrobe, props and carpentry was a major undertaking, costing in excess of \$2 million. A total subsidy of \$545,839 came from Wintario.

Without Wintario, this initial renovation would simply not have

occurred. Not only was the generous contribution of approximately 25 per cent of the total cost crucial to the undertaking, but Wintario was there first, allowing us to leverage matching funds from other sources. In fact, Wintario ought to be credited with founder status. Without its generosity, Young People's Theatre would not have a home.

By 1982, the theatre had grown in popularity to the point where we could no longer accommodate our patrons. A second renovation took place, enlarging the auditorium, supplying permanent seating, a balcony, a sound and lighting booth, an enlarged box office and a second performance space which we use as a studio for rehearsals, classes and smaller productions. The theatre was also equipped to accommodate wheelchairs, and a phonic ear system for the hearing impaired was installed. Wintario's contribution in this case was \$94,650, which represents approximately 20 per cent of the total cost.

Again, Wintario took the first step in supporting this work, helping us convince other agencies to contribute. The YPT building fund is currently in excess of \$3 million, thanks to the original commitment from Wintario.

In 1983, the Wintario arts challenge fund was initiated to encourage long-term financial stability through the establishment of an investment fund and increased private sector support. YPT was very quick to follow the Wintario lead, and the result was a large increase in our fund-raising activities and the creation of an endowment fund of \$647,300. In 1986, the Investment in the Arts program provided another strong incentive for more aggressive corporate fund-raising. To date, YPT has earned \$120,000 through this strategy.

Because of the success of programs such as these, YPT has been able to invite a great many new contributors to support our organization. Our endowment fund now exceeds \$1 million, thanks to the creative programs initiated by Wintario.

In recent years, a major issue among theatre managers and directors in this country is the affordability of theatre tickets. As a theatre for young people, and the largest theatre for young audiences in the continent, keeping the price of tickets affordable is of foremost concern. The Wintario Half-Back program was the single most successful method of achieving this price stability and introducing new patrons to our theatre.

In a brilliant stroke of programming, Wintario was able to provide the means for students and families from all economic backgrounds to visit our theatre, a facility which was Wintario-funded in the first place. Wintario provided leadership with the Half-Back program, and we responded by producing quality programming that would encourage the public to choose to use its discount at YPT. In total, \$92,342 worth of ticket discounts was redeemed over one season. This was a fine example of arm's-length funding for the cultural health of the province.

When the Half-Back program was terminated, we received volumes of mail from schools and families in protest. After watching our attendance rise to all-time record highs, we were in danger of losing patrons who could not afford a trip to YPT. At that time, a special request to the Ministry of Culture and Communications resulted in the three-year audience development program which phased out the subsidy of student matinees gradually. The total contribution was \$85,716.

Our 1989-90 season ticket prices remain stable entirely due to past



Wintario ticket subsidies, which unfortunately finished last year. Now we begin to wonder and worry about what will happen next season.

If Bill 119 is passed, an organization such as ours will find that funds that were legally allocated to sports and recreation have been rerouted. The kind of development and expansion which has made YPT such a remarkable and unique phenomenon will cease. In fact, if Bill 119 had been passed prior to 1977, what would YPT be like now?

We would not be scouting a site to expand our operation and develop an arts education centre, because there would not be \$1 million in our endowment fund to support such a project. We would not be planning adventuresome 10-production seasons, because we could not afford the special costs of underwriting a high proportion of children's price tickets, commissioning new Canadian plays specifically for our audience or providing ancillary educational services in a wide variety of programs. In fact, we would not even have a theatre where any of the above could take place.

YPT has always been enormously grateful for the support made possible through Wintario. Therefore, it is especially distressing to know that the government of Ontario plans to redirect a source of funds which has made YPT's very existence possible. Through supporting Young People's Theatre, the government of Ontario has directly touched the lives of literally hundreds of thousands of children in a positive, creative and enlightened way, and it would be sending a particularly negative message if it were to withdraw its commitment and its support now.

The government provides leadership through legislation and through subvention. Intentionally or not, passing Bill 119 will offer a negative lead to the corporate world and to the citizens at large that this government has lost faith in the power and the necessity of the arts. It will be harder to fund-raise and ask for corporate commitments when there is no corresponding government commitment.

In light of our history with Wintario, we at Young People's Theatre agree with the position of the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario to oppose the terms of Bill 119 amending the Ontario Lottery Corporation Act as it currently stands. We also agree with the proposal and recommendations that the accumulated intraprovincial lottery profits be treated as a trust or investment fund, the annual interest from which would be allocated to culture, recreation, sports and fitness. Furthermore, we endorse the recommendation that one third of the combined ongoing profits of all six lotteries be designated to culture, recreation, sports and fitness, a comparable sum to the present profits of the intraprovincial lotteries.

We at Young People's Theatre seek to continue to educate and delight the children of Ontario with the full partnership and support of the government. Together, we can effect a profound difference in the lives of the growing generation. Alone, we can only regret lost opportunities.

The Chair: Thank you very much. I have two people on my list so far for a question or comment. Mr Sola first, and then Mr Farnan.

Mr Sola: Thank you for a very good brief, sir. I would like to turn to page 3, where you say, "If Bill 119 had been passed prior to 1977, what would YPT be like now?" I am suggesting that you could probably be in the same position except that you would not be expecting an endowment from a

nonexistent trust fund of \$400 million that was built up by the expectations caused by the previous wording.

1420

To point out that the previous wording was imprecise in its intent, I have before me a paper from legislative research which shows what amendments were proposed and adopted to the original Ontario Lottery Corporation Act in 1974. I just want to read section 9 of that, which is the one that affects you.

There was an amendment moved by R. S. Smith, a Liberal, by the way, who wanted the words "to be available" struck out and replaced by the words "and the total of such funds shall be used as directed," in the estimates of the ministry. "The total of such funds" would have allocated all the money garnered by the lottery for the designed purposes the lottery act specified. That amendment was not carried by the then government. Despite that, you got, I guess, adequate money, since you seem to be fairly satisfied with the funding —

Mr Moss: In the past.

Mr Sola: —of the past. I would say, since Bill 119, just in my opinion, clarifies the original intent of the bill, you would probably be in approximately the same position, if not better, depending on the cultural priorities of the government.

Mr Moss: I think it is exactly those cultural priorities that we seek to address. That wording, when it changes, actually will take away from us the right to sit at the table, first in line, assuming that whether or not those priorities are there—why are you shaking your head?

Mr Fleet: This bill does not take away the priority at all.

The Chairman: Mr Fleet.

Mr Fleet: He asked me a question.

Mr Moss: Let me seek clarification. When I asked—

The Chairman: There is a format. I recognized Mr Sola and your dialogue should be with Mr Sola.

Mr Moss: I am sorry. Can I ask you why that is the case? It is my understanding that is not the case; that in fact by passing this legislation, we lose a steady stream of income; that it goes into a general pool, and that the cultural industries do not stand to benefit in the same way on a regular basis. Whether or not the money has been allocated every year and has gone into a slush fund or not, my understanding is that we would lose that priority and that stream of funding.

Mr Sola: That seems to be the general impression of the population at large, but I think the funding will remain essentially the same. The wording of the bill will be altered, but the funding allocations will be done the same way, because the money originally was all put into one pot and then allocated to the various ministries that dished it out according to their mandate.

Mr Moss: Is that not changing? Is that not indeed what you are changing and in fact—

Mr Sola: My interpretation of this is that it is simply cleaning up the bookkeeping, trying to take an imaginary surplus that everybody is looking at that has built up over the years out of the books and say exactly what happened to it—it was put into health, it was put into whatever priorities the government had.

To point this out, we have statistics from 1975 on. The first year the earnings were \$42 million, and only \$4 million was allocated to culture and recreation in the first year. In the second year it was a bit higher percentage, and by the time we took over, the total accumulated surplus had been \$213 million over the 11 years before we came to power.

Mr Moss: I understand that and I—

Mr Sola: Since then, from those original lotteries, we have reallocated that \$200 million back, if you just want to go by the original lottery. The estimates this year are that the surplus from that specific fund—

Mr Moss: The \$400 million, yes.

Mr Sola: —will be down to \$7 million. But, since this act came into being, other lotteries have come into force which have sort of clouded the picture as far as the financial situation is concerned. I just wanted to put that in—

The Chairman: Mr Sola, you are going to have to wind up so that I can go on to the next person.

Mr Farnan: I think it matters little who put his hand into the cookie jar. It really does not matter whether it was the Conservative government or the Liberal government, but I think you are right. There was a commitment to culture and recreation that the funds from the lotteries would be designated for that purpose. That \$400 million belongs to culture and recreation. It is not there any more. Why we are quibbling over who stole the money from the cookie jar is beyond me. What we do know is, the money is gone.

Mr Sola: Point of order. This is unparliamentary.

Mr Farnan: What we need to do now is to make a new covenant with culture and recreation. I think what we have to do—

Mr Fleet: I think there is a request for a ruling from the chairman.

The Chairman: Mr Farnan, you are back into the same terminology that we had quite a discussion about yesterday and the day before—the money was "stolen."

Mr Farnan: Let me rephrase that remark. The money is not there any more. The government says it did not take the money, but the money is gone. If the government did not take the money, we have to ask ourselves; "Who took the money and where is it?" We know it is not in sports and recreation.

Mr Fleet: I would like to raise a point of order, because I do not think the rephrasing constitutes any difference. Mr Farnan's inference, and I would hope he would be able to withdraw this inference or clarify the—

Mr Farnan: We have been through that before, Mr Chairman.

Mr Fleet: But the inference appears to be that there was a sum of



money that he is accusing either the current government or the previous government of going after, when I think in fact he may want to make some suggestion that moneys were not spent the way that he would have liked them to have been spent. But that is quite a different thing from suggesting that there was an illegality occurring. If he wants to suggest something of an illegal nature, a fraudulent nature or something of that sort, I think that is unparliamentary. That was the point of Mr Sola's concern, and I share that concern.

The Chairman: I think I understand your point. As the chairman, I would like to say, for your benefit as the presenter, because your time is being used in this manner: the actual way that the place works is that all of the revenue goes into a consolidated revenue fund.

Mr Moss: I understand that.

The Chairman: That is appropriated by the Treasurer to the various ministers. Mr Sola spoke about what their mandate—

Mr Moss: I understand that. I think that my point is just to pick up on Mr Farnan's point, that there was a covenant made. It was seen to have been made. It is understood in the field that there is that covenant. We have publicly understood and, by understanding, made common currency of the fact that lottery funds were designated for culture, recreation and fitness. This bill seeks to alter that, to widen the circle of where that lottery money has gone and to lose the exclusivity that culture, fitness and recreation has had.

The Chairman: Just a moment, before we finish. The other point I want to make here is that if you imply the same kinds of things in rephrasing and you are alluding to the funds being misappropriated, that is not—

Mr Moss: No, no. I am speaking of—

The Chairman: No, I am not talking to you; I am talking to Mr Farnan now. I have to rule that as unparliamentary.

Mr Farnan: I have not implied that. All I have said is, the funds are not there. The government admits that the money has been spent; you can reach your own conclusion. They did not disappear of their own accord. You draw whatever conclusion you want. Now, if I may continue, I would like to address the delegations.

The Chairman: I think Mr Farnan has the floor. I think we have cleared that one up.

Mr Farnan: Mr Sola has gone back to the old bill and said, "The wording said this." You know, "The money will be available.""

Mr Sola: Your party agreed to that.

Mr Farnan: The same game is being played with words in this bill. What this bill says—and I will just go over it very briefly. It says the moneys from the lotteries, the profits, shall go into the consolidated general revenue. It "may" be used for culture and recreation, and the remainder "shall" be used for hospitals.

Mr Moss: I understand that. This is why—

Mr Farnan: The wording is very clear. Let's get away from that topic. I want to talk to you about the Young People's Theatre.

1430

It is a super brief. Your contribution to the province is splendid and there are a couple of things in here that I like very much, such as making the arts widely available, particularly bringing an opportunity through the shared program, I think, the Half-Back program, to socioeconomic groups that might not have that kind of opportunity.

Mr Moss: We found that absolutely was the case and that was our experience in working on the Wintario program. We found that schools which previously had not been able to come could come and that teachers, in deciding whether or not to visit YPT, often would find that if one or two students in a classroom were economically disadvantaged, then the entire class could not go for fear of embarrassing them and this offered them an opportunity to come. It was an incredibly enlightened program.

Mr Farnan: I also like the commissioning of new Canadian plays. To me, a government that had its wits about it would want to make a covenant with the thousands of volunteers, not just in your organization but across the province. We are talking about literally hundreds of thousands of volunteers. When you think of the platform that these volunteers would be giving to Canadian content, outreach and bringing culture and recreation to every level, I look upon this as a farm system where, from small little theatres in rural Ontario through regional and metropolitan theatres, not only are we giving an opportunity to our young talents to develop, but we are giving an opportunity for audience education, participation and refinement. So it is a splendid brief.

The best thing that could happen at this stage—and I say this in all sincerity to the government members who are sitting quibbling about what the old bill said—is for the government to make a new covenant. I invite you, as I think every group that has appeared before us has invited the government, simply to make a covenant that we can believe in and trust and that gives us a guarantee. I think the problem with the old act —

Mr Sola: You voted for it.

Mr Farnan: I was elected in 1987. The problem is, John, that you are getting into this partisan crap. The reality of the matter is, look at the issue. What the groups are saying is, if you want to give money to hospitals, use up to two thirds of it, but give a minimum of one third of the funds—that is all they are asking—to culture and recreation.

Mr Moss: And to designate it. If I can just interrupt, I find this very instructive and interesting, but I must agree absolutely. I find that the danger of this bill is partly financial but much more political and much more in terms of its publicity value.

This is seen and perceived by the community as a blow to the arts, it is not seen as support for the arts, and no amount of quibbling with the language of how much money we are going to get will reverse that, other than a specific covenant which says specifically that this bill is in support of the arts community. We perceive it and the general public perceives it as taking money away from the arts and giving it elsewhere.



In fact, when you sit down and with your legal minds work out exactly the details, we may find that we get the same this year and maybe a little less next year, but politically it is seen to be an opportunity to take money away and it is much harder to fund-raise, much harder to go out into the corporate community, much harder to supplant those dollars, which we may or may not be missing, when the government is seen not to show the leadership that it has in the past.

That is our biggest problem. We do not feel that this new bill seeks to create the same kind of covenant and act of faith that the old bill did. The old bill may have been muddy, the old bill may need to be improved, but what you are doing in this instance is robbing us of the opportunity to say we have a special place in the heart of the government. We no longer have that place.

Mr Farnan: My final word would be to thank you for a certain agitation that you have expressed in your presentation, because I believe that is an honest reflection, perhaps, of many in the cultural-recreational community and I think it is an agitation that comes out of the hundreds of thousands of volunteers who are actually saying to the government at this time: "We want to work in partnership with the government. We'll provide the hundreds of thousands of man-hours of volunteer work, but give us some guarantee that we are in a true trust relationship."

They can give that guarantee. If the government is saying, "Well, you're going to get this money anyway, why are you worried," if that is the reality, then it must be easy for the government to say: "Well, okay, let's form the partnership and put it into words. We will guarantee a minimum of one third and the rest can be used for hospitals."

I want to thank you for the brief. It is just splendid. I know that the Blue Jays are playing in Oakland because they have a good farm system and I think the government, if it develops a good farm system in culture and recreation and takes care of it properly, would be able to play in the big leagues as well.

Mr Fleet: I want to thank you for your presentation and for some of the comments you made just a moment ago. I know you are expressing a sense of frustration and I will tell you, I am frustrated too.

My frustration comes from a different reason. My frustration is that I hear you say, in effect, regardless of the facts, there is another perception attached to the bill. That is frustrating because we are trying really hard to tell people the truth, as we understand it, about what happened before, what we are doing now and what we intend to do in the future. What is really frustrating to hear is that regardless of the reality, as far as I can tell, all of the assumptions about the facts of the bill are wrong when a deputant comes forward, and there have been a number; that anything we say or do is kind of irrelevant because there is a perception out there that is different.

It seems to me that in the final analysis, although it is a political problem that the perceptions may depart from the reality of the bill, it would be irresponsible of me, as a legislator, to say, "I'm only going to think about the perceptions and I'm going to ignore the substance of the bill too." I think I have to pay attention to the reality of the bill.

The reality of the bill is that there is not one program that is created, flat-lined or cut as a result of this bill. Nowhere does it have that impact.



The belief that there was a kind of trust, a covenant, whatever one chooses to call it, is not true in terms of the reality of the legislation. I appreciate many groups, and you in particular, may have had that message delivered. I can tell you that when I read what the NDP members said when it came up, they did not intend it to be that kind of covenant. Neither did the government. I have the Hansard from 1975 in front of me. The comment that was made by Fred Young was, "We felt this money should not be earmarked specifically for this kind of activity." So the legislation at the time when they dealt with the very amendment Mr Sola talked about was not intended to be that kind of covenant or trust or guarantee, although the Liberal motion was to make it that way at the time.

What Bill 119 deals with is the reality of the accounting. Indeed, the funds that were not spent on arts and culture and all of that were spent somewhere else. That is what Bill 119 deals with. We think it is at least important to be honest about it, to say, "That's what's taken place," but the spending level in this area has gone up an average of 8.8 per cent for the last five years, not just lottery funds but all funding in this programming area by this government. We think that is what matters. We think that is substance. Those are real dollars. It is not what the politicians are huffing and puffing about; that is money that got to be spent in those areas.

So it is frustrating for us because we are trying really hard to deliver the reality of what is in the bill and to tell people about it. When you tell me that there is the Half-Back program and you would like to bring it back, that is important and that is one of the very good things about this process, because it is good for me to hear that, as well as the other members of the government. Bill 119 does not really deal with that, but it is still useful for us to hear that and I know that the ministries are monitoring this to pick up that kind of information.

It is a useful process, but we hope very much that you will at least be able to say, "Well, that was the view, at least of David Fleet and John Sola and other members, that they aren't in this because they're looking for an excuse to slash away at arts and culture." That is not what we are about and I just hope we can deal with that, at least in some measure, because we are concerned about the perceptions, but we also want to treat the reality of the bill.

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Mr Moss: I understand what you are saying, and again, I did say at the time there is no guarantee other than a trust between the arts community and the government as to how much in actual dollars we are going to be getting from those lottery funds in years to come, and in years past, indeed; I think that is the case.

But I think there is another point which I have to reiterate from the field, as it were. A lot of the government initiatives that came through with the Lottario funds, particularly through the Wintario scheme, had to do with creating a partnership among the private sector, the arts community and the government. That is where the establishment and the notion of a covenant came, that Wintario would lead with lottery dollars and that that was very publicly there in the Challenge fund for the arts and in the Half-Back scheme and in the endowment creation that we had gone through in past years.

What is seen to be the case now—and again, no one can guarantee how

many dollars we are actually going to see; I take that point and I understand it—is that there is now a public withdrawing from that. If it is only a question of bookkeeping and if it is only a question of tidying up funds that were there, why do we need the wording which actually ceases to give the arts the appearance of their proper place and seniority?

Mr Fleet: There is no wording that does that.

Mr Moss: Why is it "may go" as opposed to—why do you not specifically give us the opportunity to say, "This much money will go to culture, fitness and recreation and anything else will go wherever they want it to go"? Why are we not allowed to be earmarked so that we can publicly say we have a special place in the heart of the government and when we go to the private sector we can say: "Your commitment is matched by their commitment. They put their dollars on the table; please put yours next to theirs."

We cannot guarantee it. I understand that we may have the same amount of money, but the private sector may give us money next year. At least in the past we have been able to say: "The commitment is there, the dollars are in the act. We may not know exactly how much we're going to get, but we know we're going to get it."

Mr Fleet: Well—

The Chairman: Mr Fleet, I am going to have to interject here.

Mr Fleet: I would like to respond but I cannot.

The Chairman: As the chairperson here, I would like to thank you very much. As I said at the end of this morning's session, people have been coming before us now, we are just over 100 presentations, and yours brings a certain verve to it that was not there sometimes. But they are all a little bit different and they are bringing information to the attention of the committee that is very valuable.

Mr Moss: One tiny little last parting shot, if I can: When Wintario Half-Back was withdrawn, the response from the schools was overwhelming. We had telephone calls and letters which really expressed an incredible desire to keep that program alive. Susan Fish was the Minister of Citizenship and Culture at the time, so we went back to our constituency and said, "Why don't you, the teachers, get your kids to draw letters and write letters and write stories and send them all to Susan Fish and let them sit on her desk so she can see what happens when you withdraw that kind of program?" Well, her desk was inundated with that kind of support, because that is how crucial that program was.

The Chairman: I was a schoolteacher at the time.

Mr Moss: Exactly. Do you remember?

The Chairman: It worked very well.

Thank you very much, Peter. We appreciate your being here.

Our second presentation of this afternoon is on behalf of the Central Neighbourhood House and Lin Grist, the executive director, will be making that presentation.

## TORONTO ASSOCIATION OF NEIGHBOURHOOD SERVICES

Ms Grist: Thank you. I do have some copies of what I am about to say to you. Can everybody hear me? I am sorry I cannot speak to you ex tempore this afternoon, but I am concerned that I let you know everything that I have to say, so you are going to have to forgive me, I am going to read from a speech.

I actually speak today not just as a representative from Central Neighbourhood House, which is a downtown settlement house in Toronto, I am actually speaking on behalf of my colleagues in TANS, which is the Toronto Association of Neighbourhood Services.

I am going to speak primarily to recreation today. I should just let you know also that I am very aware of what is happening in the arts. When I am not wearing my social services hat, I am a volunteer in a very small theatre company and what is happening now is very important to me not only as a staff person in the work and the career path I have, it is essential to me as a volunteer. I would like to start with that.

As I said, I speak today as a representative not only of Central Neighbourhood House but also of the Toronto Association of Neighbourhood Services, to which my agency belongs. TANS is an association of nine neighbourhood-based multiservice centres in the city of Toronto. For over 75 years, these centres have played a key role in the development of creative and innovative responses to the social, recreational, educational and health and community needs of the residents of Toronto.

An eclectic approach, borrowing from social work, popular education, community health, recreation and community economic development, is central to the history and to the success of the settlement houses. It is a model that places a high value on prevention.

TANS agencies today offer a myriad of services. The list includes home support for the elderly, day care centres, social and recreational programs for children, youth and adults, literacy and English-as-a-second-language classes, housing development, tenant organizing, youth employment centres, AIDS prevention work, etc. On a less formal, but equally important basis, the centres are simply there for all to use: as a place where a homeless person can get warm, a newly arrived immigrant can speak to someone in her own language, a frustrated parent can let off steam, a job seeker can use a phone. It is very basic front-line work that we do.

While our agencies have been able to count on financial support from the United Way, from various levels of government and from foundations, it has never been sufficient to maintain more than a very basic level of service. Money allocated to us from the lottery fund over the past 14 years has been critical to our communities. With it, we have been able to do such things as make a building wheelchair accessible, run leadership development programs for women and youth, provide a transportation program for the frail elderly, develop a drama program for teenagers and improve a music school for inner-city children. This is just a sample list. Many of our applications for projects equally as valuable and needed were turned down because of lack of funds available for allocation even in the current program.

But our concern about the implications of Bill 119 go far beyond the direct impact it will have on our small group of locally based, voluntary organizations. We worry more about the impact on the larger community of any



reduction of public commitment to support culture, recreation and the arts. Emerging social trends—an ageing population, an increase in lifestyle-related illness, growing alarm about drug use, worsening poverty rates, a heightening awareness of racism—all of these demand careful attention.

We all know about the power of prevention. If there is any hope in successfully meeting the challenges that these trends create, it is expressed in a public policy that demonstrates a commitment to support prevention programs. We need accessible, affordable recreation centres, programs promoting leadership development and multicultural understanding, parks that provide a respite for all ages, and all forms of the arts which stretch us as a community towards our potential. It is these efforts that help keep people healthy, that keep them out of the expensive health care system.

Money from lottery profits, often matched by other public and private contributions, has played a critical role in sustaining such efforts. This investment of dollars, as indicated in many other briefs presented to this committee, has ultimately generated increased revenues for the province.

Frankly, we are appalled by the short-sightedness implicit in Bill 119. While \$450 million—I am not going to quibble about numbers; maybe it is \$600 million—represents a significant amount in the arts, cultural and recreational sectors, an amount that could have a real impact, it is not enough to make any substantive changes in the health care system, a system that currently puts \$5.5 billion into hospitals each year. Attempts to remedy chronic funding problems in the health care sector by a one-shot diversion from the arts, cultural and recreational sector may provide a political solution, but it will ultimately accomplish very little. An essential service like health care in a modern and affluent province like Ontario should not be dependent on the vagaries of a lottery system that frankly profits primarily on the backs of the poor.

We support the recommendation put forward to this committee by many, many groups that a trust fund be established with the accumulated profits and that the interest derived from this be allocated annually to support culture, recreation, sports and fitness. We also recommend that one third, or 33 per cent, of the annual profits of all six lotteries be allocated to these sectors.

Thank you so much for listening to me today.

The Chair: Thank you very much. Mr Farnan has the first comment or question.

Mr Farnan: Was this brief put together by a committee?

Ms Grist: A committee met three times and I wrote it. I believe it substantially says what that committee of the TANS agencies wanted me to say.

Mr Farnan: It is a very, very powerful brief and I want to thank you and your committee for putting it together.

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Ms Grist: Thank you. I will thank TANS when we meet. I am sorry I did not get it to you.

Mr Farnan: I think what you have done is you have painted a very broad canvas, a very broad picture. In the first paragraph on page 2, you have

put into words as powerfully as any brief that has been presented to us the consequences of not having a solid preventive program both in the social and health care areas.

Ms Grist: That is our belief. We deal with a lot of community health care. It is not fancy or expensive stuff, sir, but it is really important. We also believe that prevention is an awful lot cheaper than cure.

Mr Farnan: I think, as the New Democratic Party critic for Correctional Services, I could endorse this by saying that when one looks at the population of our institutions, it is often a reflection of the lack of programming that you have suggested is critical. Indeed, I would go back and commend the Liberal government—not the Liberal government; it was a Liberal backbencher at the time who put together a rather powerful task force report into the correctional system. I think you have summed up all of the recommendations in that report, called Behind Prison Walls: Justice for All?—and it was produced by a member about five years ago, Bob McKessock—in that paragraph, which is kind of neat.

Ms Grist: I will say, and correct me if I am wrong, it is my understanding that the current Minister of Health (Mrs Caplan) has already indicated very clearly in some of the briefs that she has published for public consumption—because that is where I have read them—that the Ministry of Health wants to move to much more community-based care, not only because it is more humane, but frankly because it is cheaper to deliver.

Mr Farnan: Two other things here: I am concerned about lotteries and I make no bones about the fact that lotteries are a form of gambling. They are part of our society. We have to accept that, and I prefer them in the hands of the government than out in the private sector, that is for sure. You do point out that it is a regressive tax—that is, a tax on the poor—and it is a fact that the poor spend a greater percentage of their disposable income than those who are more affluent. It is worth while remembering that.

I think when you then suggest that an essential service like health care should not depend—in California, you may be aware, they tied education to the lotteries. The lotteries fell off in sales, and indeed as a result a squeeze was put on the educational system. Similarly, you could have a situation in Ontario where if you have a good lottery year you get your triple bypass, if it is a bad lottery year they might give you 100 tickets to go out to sell. That is the kind of mentality. I agree with you that health care is an essential service, but I am also apt to believe that culture and recreation is an essential service if we are talking about preventive health care, and ultimately a cheaper option.

I think, again, it is an invitation to the government to put its money where its mouth is. The minister has indeed been talking about going for the preventive health care option. Only one thousandth of every health dollar is spent on preventive health care.

Ms Grist: I know it is very small.

Mr Farnan: One tenth of one cent of each health care dollar is spent on preventive health care. It is not good enough to talk about preventive health care. I think we have got to put our dollars where they are needed. Your request for a minimum of a third of the revenues for culture and recreation, and that a trust fund be established, is a legitimate one. I hope the government is listening.



Ms Grist: May I ask a question?

The Chairman: You certainly may.

Ms Grist: I am sorry, Mr Fleet?

Mr Fleet: Yes?

Ms Grist: I was here earlier and I think I missed it. I just wonder if you could explain to me why, if the government is committed to continue to fund recreation, culture and the arts, it will not actually put it in the legislation. Why can you not do that? Because it would change the perception that you are concerned about? I think if you spelled it out for us, we would truly believe in the partnership. It is certainly not your fault that some of us are a little cynical about government—I am not suggesting that in any way at all—it is just that some of us have had previous experiences and we would like to have things written down. If you are committed to it anyway, I am not clear why you would not want to put it in the legislation.

Mr Fleet: I think that is a good question. I guess what it boils down to is what we as individual legislators regard our duty as. I guess the important consideration is the actual level of support that comes out, even if it is in the legislation. If a Treasurer and a government decided in a given year to cut back funding, it would simply be announced. It would go through a legislative process and it would occur. That is the reality, so in the final analysis it probably does not make any difference whether it is in the legislation or not, in that sense.

Putting it in the legislation would make it a restriction, and in a sense we have done that here. What we have got here is a process whereby—and I think this is unlike any other area of the government—we have said there is a source of funds, it is only one of the sources for cultural and recreation groups but here is a source of funds, and never let it be said that the government cannot be forced to turn its attention to the question of applying lottery funds for this group. There is no area that I am aware of other than that where the government provides an absolute guarantee in legislation.

The principle of a Legislature is that the Legislature is supreme and ultimately the government is certainly accountable to the Legislature. Whether it is a majority or a minority government, all of the legislation goes through there. The estimates process goes through committees and through the Legislature, and that is the process of having estimates, budgets, being accountable and being scrutinized. All of that, in my view, is important and should remain. We do not give a guarantee for schools, for instance, or roads or the environment, although I am sure you and pretty well everybody else would say those are important and are necessary to do.

The Chairman: Could I interject as chairperson for a moment and clarify one comment that was just made? This has not got anything to do with culture per se. I am going to use the educational example to sort of explain where I see things happening right now. There is a hesitancy on the part of government to mandate a dedicated amount per year in case it is not there, obviously. The other danger that comes along, and we have experienced this in education in the last two years, is that in the capital area only there is a dedication.

Ms Grist: Oh, we know that.



Mr Chairman: People like myself with 30 years of experience in education really like the idea that you have got a prognostication of \$1.2 billion with matching grants from the municipalities, and building in something quite desirable so you could do some planning is the argument for that. The other side of the coin is that as a political person I visit my boards regularly, and the information I have got now is that the wish list we started with, which the \$1.2 billion should satisfy by the end of that period of time, is now in excess of—our share of it—some \$6 billion because it has just been mushrooming.

There are all kinds of dangers involved, and in analysing the whole situation around here, other than one case in the Ministry of Natural Resources that I can find, there was never any dedication of anything. In that case it was fishing licences. They brought them in and they wanted a guarantee that they would be used for certain purposes.

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Even those licence moneys go into the consolidated revenue fund. An advisory group was set up, province-wide, to monitor what is happening in several specific areas. Each year, they file a report to see how we are doing compared to revenue. That is the way it is handled in that particular situation. I think, in the bottom line here, that it is creating a precedent to have a dedication there, which would be very desirable for those of us who have worked in the arts field for a long time.

That may still happen. I do not know what is going to happen when we get to clause-by-clause in this, because the Treasurer himself—it was announced yesterday—is coming before the committee tomorrow at two o'clock. I think that whatever he says will be quite significant with respect to what we are doing here. But it is not quite as simple when you take everything into consideration. We are all grappling with this as to how we could do this to assure, in the minds of the people, that the kind of level of funding that is there will be there and will probably be enhanced if most of us have our way.

Mr Fleet: The question was about amending the legislation. The instance of the educational capital funding: that is a government policy, it is not in legislation. I do not believe that there is any legislated provision regarding the fishing licences, although I am less familiar about that.

The Chairman: I was not as clear as Mr Fleet obviously has been, but as far as I know, there is not any dedicated legislated authority for funding in the province. That is the problem.

Mr Fleet: Yes. It just is not ever done anywhere. It seems to me that the ultimate test of a government is what its track record is. What do they actually do? You have heard the numbers—I will not repeat them—about where we spend our money. We have increased it: twice the rate of inflation.

Ms Grist: Oh, yes. I just have three points to make on that. I do not think that we are expecting you to guarantee a certain amount, because you do not know what a lottery is going to provide in any one year. It depends entirely on how much people spend on it, which is why we did not talk about numbers when we talked about percentages.

I think the second item I would like to mention is that you do not just give money away; you have already in place an assessment system. So if

somebody comes to you and says, "I want \$6 million to build an arena in"—I am going to say Anytown because there may be somebody from anything I think of. But Anytown already has an arena. Well, of course you would not fund it because the town 50 miles up the road, which is very isolated and has absolutely nothing at all, needs it much more readily than that particular organization.

The third thing is that—frankly I am not a legislator so I am listening with great care to what you say; it is all a little bit confusing to me—I do think there is a difference with this money. The substantial portion of the money that you as politicians and legislators deal with comes through our tax system. It is money that you are mandated and given in a trust to spend. That is what it is for. That is what you are elected on. The lottery money is very different. It is money that sort of comes in through a gambling system. It is like windfall money to you. I think that is what I tried to say in this brief. It is not appropriate to use windfall money for such a basic need as health. It is as important as putting a roof over your head and food in your body.

I could not tell you how strongly I feel about that. I am sure that most people in Ontario would also be appalled to think that their health care is dependent on how much people spend on lotteries. That is craziness, it is just craziness, in my opinion. Health care is far too important for that.

Mr Fleet: I do not think that is what this bill says.

Ms Grist: Well—

Mr Fleet: I think that this is important. What this bill says is that funds that are not allocated in the area of culture and recreation are applied for accounting purposes, in essence, against health care. But the process that has been taking place since lotteries started is really not much different from other sources of revenue. Even taxes, for instance, are not entirely predictable; they can go up or down in a given year because of economic activities in our society. So as far as I can tell, that process is no different; it is the same.

Ms Grist: May I speak to that?

The Chairman: Certainly.

Ms Grist: Let me be very blunt. I am sure you have done this kind of calculation about the health care system too. We all know that very soon in the 20th century, if we do not pay attention to the health system, there will be no provincial budget for anything else; just using regular inflation, it will eat up the entire provincial budget. I am sure that is why the minister and all of the people who work with her are working very hard to think about some alternatives.

Now, you know that already. I know that and I am not a politician; I am also not a policy analyst. I know that because I took your documents and did some analysis. If I already know that, and I know that the health care system is just eating up every single dollar that it can find, then I, as somebody who is working in a social service recreation system, do not feel very reassured about how many of the dollars will be set aside for recreation, arts and culture when we have a health care system that is just getting so expensive we do not know how to cope with it.

Mr Farnan: Just a point of clarification: I think Mr Fleet



misinforms the delegation when he says that there is essentially no difference between what will happen under the new bill and what will happen under the old bill. In this bill what actually takes place is that culture and recreation is pitted against hospitals. Under the old bill that was not there, but under this bill as it is at present worded the money "may" go to culture and recreation and the remainder "shall" go to hospitals.

When people sit around a cabinet table and talk about whether it is going to be hockey rinks or a cancer treatment centre, a theatre group in a rural community town or whatever, I think I know who is going to win and I think the culture and recreation community knows who is going to win. This bill is essentially different from the old act.

If that designation to hospitals were not in there, would that alleviate to some extent the concerns of the cultural community?

Ms Grist: If you are asking me what I would like in the best of all worlds, I would like you to designate one third of the proceeds to recreation, arts and culture and do what you will with the other two thirds.

Mr Farnan: Thank you, that is a splendid answer.

The Chairman: Our third presentation this afternoon is on behalf of the Canadian Association of Professional Dance Organizations. We have with us William Poole, the president, and Robert Johnston and George Wolf, directors of that organization. You may pull up a third chair there if you wish. The microphones pick up reasonably well as long as you are relatively close to them.

#### CANADIAN ASSOCIATION OF PROFESSIONAL DANCE ORGANIZATIONS

Mr Poole: My name is Bill Poole. I am the administrative director of the National Ballet School here in Toronto. I appear before you today in my capacity as president of the Canadian Association of Professional Dance Organizations. I am joined in this, as you mentioned, by George Wolf and Bob Johnston. Mr Johnston, as you know, made an excellent presentation to this committee on 11 September and will make a few additional comments once I have completed my remarks.

CAPDO is a member of the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario. As such, we support the recommendations which Mr Johnston presented to you. Our purpose in appearing before you today is to lend support to the position of the alliance, to tell you a little bit about the financial realities faced by the dance community in Canada and more particularly in Ontario at this time.

CAPDO was founded in 1978 to provide a voice for the professional dance community in Canada and to deal with problems of common concern. There are 14 members of CAPDO, eight of which are based in Ontario. In addition to the National Ballet School, the other Ontario-based members of CAPDO are Dancemakers, the National Ballet of Canada, the Danny Grossman Dance Company, the Groupe de la Place Royale in Ottawa, the Theatre Ballet of Canada, also in Ottawa, and the Toronto Dance Theatre here in Toronto. The non-Ontario CAPDO members are Les Grands Ballets Canadiens of Montreal, the Royal Winnipeg Ballet, the Contemporary Dancers Canada from Winnipeg, Alberta Ballet, Ballet British Columbia and the Anna Wyman Dance Theatre, both based in Vancouver. I mention this only to give you an idea that we do represent the senior dance



organizations in Ontario and Canada.

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The dance community at this point, in 1989, is struggling for survival. We did a little summary of the eight CAPDO members in Ontario. On the very positive side, the eight organizations have budgets totalling \$25 million this year. There are 120 professional dancers employed, 280 students in the National Ballet School and the school of the Toronto Dance Theatre, 300 full-time staff and up to 500 part-time staff. But on the negative side of where we are at this point, we collectively have deficits, in the year ending in 1989, of \$1.5 million. Only one of our members had a surplus, and that was Theatre Ballet of Canada which had a \$5,000 surplus. We have accumulated deficits now of \$3.3 million.

The organizations of CAPDO are really fighting for their lives at this point. I have been involved in the dance community for 13 years and things have never been as bleak as they are now. The effects of insufficient growth in funding at all levels have reached the point of threatening the existence of these important institutions.

I am sure you are all sufficiently familiar with organizations such as ours to realize that we are not in any sense fly-by-night operations. These are the senior organizations in the dance community. We have excellent boards of directors and committed volunteers, we have excellent artistic leadership and, I think, very resourceful management people. Notwithstanding all of this, and the fact that our budgets are absolutely cut to the bone and that we explore every conceivable opportunity for private and public sector funding, the results are as I have presented them to you.

It is in this context that we express concern to you about anything in this bill that would take away from the cultural community, and the dance community in particular, an opportunity to access funds.

Over the years, the members of CAPDO have participated in the Wintario arts challenge fund program, the Investment in the Arts program, the Half-Back program, the community facilities improvement program and other programs involved in enabling us to acquire equipment and to hire and train young people in our organizations.

So we are fighting for our survival. We must pursue all avenues of funding. We all apply to federal, provincial and municipal funding bodies. We all search for funds in every element of the private sector as well as generating funds through earned revenue.

I think that is really all I wanted to tell you about the CAPDO situation. We are struggling to survive at this point, and these are the senior organizations in the country. We have grave concerns about the retroactive undesignating—I am not sure that is the right term—of the funds, because we do feel very strongly, as Mr Johnston presented on 11 September, that, in effect, the implicit bargain with the community was that this is what the funds were for. The fact that they have not been spent is not a reflection of a lack of need in the community over many years.

Therefore, we do support as a minimum the concept of \$40 million on the \$400 million a year to go to the cultural community. We also support the concept of a third of the profits to be designated for culture and recreation, or a minimum of a third, really just supporting the alliance's recommendations.

Before we get involved in questions, may I just ask Mr Johnston to pick up on that?

Mr Johnston: I had not expected to get a small second bite at this, but I appreciate the opportunity because there have been a number of very important questions raised by members of the committee, three in particular, that I want a chance to respond to or comment on and hopefully maybe even to be a little helpful on.

The Chairman: I think it is a very beneficial thing at this point to have you back, for two reasons. A number of dance groups came in at the beginning of the first week and I do not think we have heard from any just recently. You and the Parks and Recreation Federation of Ontario came in at the beginning, so you are getting a perspective on what has happened, because I suspect you have been watching it very closely.

Mr Johnston: I have been taping it during the day and staying up until all hours, even with fast-forwarding, and watching it in the evenings. I have had an opportunity to hear a lot of the questions besides those, obviously, that I heard the day I was here for the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario. The measure of my desperate and passionate appeal today can be seen in the colour of my tie.

The first thing I wanted to deal with is—in fact, Mr Fleet mentioned it today with another group and Mr Reycraft has mentioned it regularly—the fact that overall government funding for culture and recreation over the last four years has increased 8.8 per cent per year. I cannot attest to the truth or falsehood of that statement but I suspect it is true. I am not challenging that number but I would say that, like all statistics, it needs a little examination. I am sure we could produce, and I will produce, a few statistics to make a different kind of case.

I can give you a couple of examples. What I think you have to keep in mind in looking at that figure is that the budget for TVOntario for a number of years was made up partly by an estimate in what was then the Ministry of Culture and Recreation and the balance came out of the Ministry of Education. A few years ago, the Education portion of that was simply transferred over to Culture and Recreation and it was of the order of \$10 million to \$20 million. So if you were comparing the total budget of the Ministry of Culture and Communications now versus four or five years ago, you would see a \$20 million increase and you would assume, "Well, great, lots more money for culture." In that case, it is just an accounting transaction that, as such, has not increased the amount of money available to TVOntario.

The Ontario Film Development Corp, for which I commend the government, was established within the last four years. A multimillion-dollar budget was set aside for that and would go into any total that you might say has gone up 8.8 per cent per year.

The fact of the matter is—and you have heard this from the groups that have appeared before you—that most of the groups in the arts, certainly in recreation, I think, are saying the same thing, that their grants have not been going up eight per cent per year. The reason is clear: there is a growth in this community, which you have had a three-week crash course about, that far exceeds inflation or far exceeds 8.8 per cent. There are terrific needs out there, many of them being met and many, as you have heard, not being met.

A good example is the Ontario Arts Council. The arts council budget has



in fact gone up about eight per cent per year for the last four years, but its clientele is growing in leaps and bounds. Much of that additional money is going to help new, exciting groups and individuals in the arts. That has meant that the established organizations like ours have been getting either no increase or small increases. Our increase this year for the company I am with was 3.9 per cent. So sure, the arts council budget went up eight per cent but that does not mean that we are necessarily getting those kinds of increases.

As you know, because you have heard reference to it, the arts council's five-year plan is telling you that it does not need eight per cent increases, it needs huge increases if it is going to meet the demand that is out there and that you have heard about from, I believe, 70 or 100 representatives, some in the arts, some in recreation.

I am going to leave something with you for your perusal. I went through the public accounts for 1985-86 and the estimates for 1989-90. I tried to select a number of areas that are really transfer payments that get to the grass roots; that is to say, grants to local museums, project grants in heritage, cultural support grants, the arts council grants—which have gone up eight per cent per year—grants to libraries, grants to participating agencies in community information, capital support transfer payments putting up the new arenas and repairing the old ones, transfer payments for sports and fitness, grants for municipal programs of recreation—keeping in mind, as you heard, that a \$20-million tax base program under the Community Recreation Centres Act has disappeared in the last few years—and the overall lottery capital grants in recreation.

Some of these have gone up of the order that you have heard from Mr Reyecraft and Mr Fleet; others have not. Some have gone down. In fact, of the \$180 million to \$195 million in transfer payments that you will see on this list, they have actually, overall, only gone up about two per cent per year. You pick your statistics and, I guess, you make your case.

1520

We are not being critical. We are not here to make political points. We think this government has been generous in many ways to culture and recreation, but there is a lot more to be done and we are looking to these lottery funds to try to make that happen.

There is a second point I want to mention. Mr Callahan raised a very valid point early in these proceedings, and he has made it to a number of groups, about our proposal that a third of the ongoing profits of all the lotteries go to culture and recreation, that this could become a kind of ceiling rather than a floor. I think that is a valid concern. Mr Callahan, you can appreciate that we have been busily telling those who followed us here to start talking about a minimum of one third. I am sure you have noticed that change in our way of putting that.

Having said that, our answer to your concern on this one is yes, that is a legitimate concern, but we think it is a risk worth taking, for two or three reasons. First, we have always believed, and governments of various days led us to believe, that what happened to lottery funding would not change the ongoing commitment of tax-based funding for culture and recreation. We make the assumption that this is still a principle that is in place, notwithstanding that we can show you one or two examples of slight slippage in that regard. On the whole, we think that policy has been maintained by this government and by the previous government. As long as that is in place, we can



live with a certain amount of risk about what happens to lottery funds.

Second, we say that since lottery funds have been used only for capital projects and nonrecurring projects and not for ongoing operational funding, that is another reason we can live with the risk. If we thought lottery funds were going to become the main or the sole base of operating grants, I think I would run over and sit beside Mr Callahan and agree that is a very serious question that he is raising. But given the two assumptions that we make, we think that it is a reasonable risk to take, because what do we have now? What we have now is 14 or 15 years of thinking that all the profits of the three lotteries were dedicated, only to find that about a third of them were being held back year after year. We do not think we are any worse off—maybe we are better off—under the proposal we are making than under a continuance of the old arrangement.

In fairness to some of the government members, they make a good point about Bill 119. In some ways, it could be an improvement over the uncertainty that we have lived with for 14 years under the previous act. But it is only an improvement if we have a measure of the priority that is going to be given to culture and recreation versus hospitals for the rest of the funds. You have heard others say that would mean a dollar for culture and recreation and \$450 million for hospitals. We do not believe for a minute that this is what you are about to do, but we have heard repeatedly from the members of this committee, including the government members, that you see culture and recreation as being a priority within the expenditure of the funds under the act as amended, and we are looking for some measure of that priority, because we have had 15 years to learn that maybe it needs to be a little more specific than we thought it was.

I thought the representative of the Ontario Amateur Wrestling Association who was here one day put it rather succinctly when he was asked this question, "Are you not afraid of the ceiling?" I noticed him racking his brain for a few seconds and he said, "Well, a third of something is better than all of nothing." I thought that was not a bad answer.

The Chairman: Unless what you are taking a third of is zero, too.

Mr Johnston: That is right. That is higher math so I do not think he was into it that day.

The other point I want to deal with is also one that Mr Callahan has raised a number of times and one that is a bit novel to me, I must confess. I do not know whether you are aware that I was the Deputy Minister of Culture and Recreation in 1976, so I have some knowledge of what was in people's minds when this act was brought in. You will have reviewed, some of you, as I have, the Hansard for 1975 and will know that Mr Welch was challenged at the time. He was in the dual position of being the minister responsible for the Ontario Lottery Corp and the minister who was going to give out the grants. He was challenged on the language, the fact that it said "may" and that it said "to be available for."

For what it is worth, he said: "No, no, it's not meant to be dubious, it's not meant to be machiavellian. These moneys are going to go to culture and recreation and they are going to be in addition to taxes." He did not live to see that happen as a member of the Legislature because you have seen what did happen.

I honestly do not believe that the words "to be available for," which

you have referred to a number of times, were meant to be as dubious as perhaps some people now say they may be. If you use the ordinary Oxford English Dictionary meaning of "available," it says it is something that is "at one's disposal." So we have never believed that it meant that it was sort of over there on a shelf but you could not count on being able to get it off the shelf.

What we believed, and what I think the minister of the day believed, was that it did mean that you did not automatically get the full profits of those three lotteries year by year, because needs would fluctuate. In the beginning of the grants program, I can remember clearly they were having trouble spending the money until the community needs were identified.

In fact, there was a program I will never forget under the Wintario program with billboards all over the province that said, "Try us." They had about 25 categories of grants and then they said, "If you do not fit into any of those, try us." That did not last very long. Within a year or so the demand that you have heard about now in these hearings was identified and was huge.

What did happen in the early years, as you will have seen from the figures, is that there were years where less than the profits were granted, and there were actually two years where there was a catch-up and where more than the profits were granted. I think it was the belief at that time that this was the reason for saying "to be made available for," so that it could fluctuate, but that over the years it would all be spent. Of course, as you know, it was not.

I was tempted to say to those who might imply that "to be available for" somehow implies that you do not necessarily get it that the next time you go to your nearest restaurant and your head waiter tells you that your table is available, do not head for the door—he means your table is ready.

I have a couple of other points. There have been comparisons made of what has happened to the accumulation of unspent profits, if you like, before and after the government changed. It really has not been very different before and after: \$140 million of the nearly \$400 million that has been held back has occurred in the last four years and \$260 million of it occurred before that. The average is not very different. It has been about a third of what we thought were funds for culture and recreation that have been held back over the last number of years.

I want to conclude on a positive note. I think that the many groups and individuals that have appeared before you have gotten a very courteous and sympathetic hearing. I believe that those who have appeared before you have collectively done a very good job of impressing upon you the huge impact of work that is done in the community, most of it by volunteers. You have heard the numbers—350,000 volunteers in parks and recreation, these kinds of numbers.

There are hundreds of thousands of volunteers, plus a great many dedicated professionals, most of them frankly not very well paid, who work long hours to improve the quality of life in this province and do it on an amount of government funding that, in the overall scheme of things, is not very much. In the overall scheme of things, what we are asking for out of the lottery fund is not very much and will do a tremendous amount of good, make an impact that will not even be seen when that same amount of funds is siphoned off for health services and hospitals.

I think some of the presentations here have been very moving. I watched



one where there was a young lad from the Boys and Girls Clubs of Ontario. He was now a second- or third-year engineering student. He said to you, in effect, that but for funding for his organization and what that organization had done for him, he would probably be on the street. There was a lady here with very good humour, I thought, who told you about Theatre on the Move, this group that goes into the schools, who said that but for a difference of \$50 or \$100, her engagement can make the difference of whether they are able to perform or not. There was a lady here from the small art gallery in the tiny town of Durham in Grey county.

I do not have to tell you, you have heard it. I think a very good case has been made for what you can help these people do for their community. If you can see your way clear, and I hope the Treasurer is thinking this way, to an amendment that will allay our fears, that will kind of give us a reassurance of the priority you attach to culture and recreation in this province. I think it is an opportunity you should seize—I hope you will—and in the process you will renew a lot of faith in the political process. That is not a bad byproduct either. Thank you.

1530

The Chairman: Thank you very much for your synthesis of what has happened here. I was glad you also clarified the fact that you are the chap who was the deputy minister back in the days—

Mr Johnston: So am I.

The Chairman: I used to belong to the Ontario Municipal Recreation Association as a zone 7 representative. These were in the years when Bob Secord was a member of the board of directors, and I think in the early 1970s they were formulating a lot of the notions that were effective in the lottery schemes in 1976. You have made a valuable contribution to the whole area, so your comments are particularly meaningful. Mr Callahan has been referred to a number of times, and I think he wants to say a few things.

Mr Callahan: First of all, we have received certain information from our research people to demonstrate that from 1985 up to and including 1990, as far as Wintario was concerned, more was expended in terms of funds going out than came in. I do not have the figures before me, but in some of them I think it was as high as 51 per cent greater. I think part of that difficulty arose from everybody presuming initially that "lotteries" only included Wintario.

Mr Johnston: No.

Mr Callahan: Then there was a legal opinion rendered by the Attorney General (Mr Scott), I believe, that it included all of them, interprovincial as well as intraprovincial. My colleague has just handed this to me: between 1985 and 1990, they range from 10 per cent over revenue, 30 per cent over revenue, 61 per cent over revenue, 27 per cent over revenue, 37 per cent over revenue, and the 1989—

The Chairman: Just for clarification, those are not percentages, they are actual dollars.

Mr Callahan: I am sorry, it is \$37 million—I did not mean percentages, I beg your pardon—over the budget. At least in terms of Wintario and Lottario, there has been a record, starting in 1985, I might say, because there were only two times pre-1985—that was in 1978 and 1979—where



expenditures actually exceeded revenues.

Mr Johnston: If I can interject for a moment, I have heard this before from staff in the Treasurer's department. I guess the difference between us on this is that we, as you heard earlier, believed that we had no claim to the interprovincial lotteries, regardless of what the Attorney General might say. In fact, if you look at Mr Welch in 1976, you will see him making that distinction. But where the intraprovincial lotteries are concerned, we think section 9 applies fully. That includes the Instant draws. The figures you are looking at do not include the Instant draws.

Mr Callahan: No, there were never any expenditures out of the Instant draws, because they were not considered to be part of the—

Mr Fleet: No, they were intra; they just were not spent.

Mr Callahan: Sorry, they were not spent. That is right.

Mr Johnston: They were on what we thought was the intraprovincial side of a border. We considered them to be part of our claim.

Mr Fleet: That is true.

Mr Callahan: Let me just ask you, what are you saying? A third of how much?

Mr Johnston: We believe it is your decision under Bill 119 to no longer make the distinction we thought was being made previously between intraprovincial and interprovincial lotteries. Bill 119 effectively lumps them all together. So, we are looking not at, say, \$150 million but at \$450 million or \$500 million. We are saying a third of that larger amount.

Mr Callahan: The reason I am asking is that we have had different figures thrown around.

Mr Johnston: I am sure.

Mr Callahan: I have heard \$300 million, I have heard \$400 million, I have heard more than that. Are you saying, then, that your people are looking for—

Mr Johnston: About \$150 million.

Mr Callahan: A guarantee of about \$150 million.

Mr Johnston: Right.

Mr Callahan: And that is what you think a third of it would run. You see, the difficulty I have is, Don Gordon—you know Don.

Mr Johnston: I know Don well.

Mr Callahan: He came from my riding, and he is a tiger. He is asking for 50 per cent.

Mr Johnston: I heard him. We thought we had everybody whipped into shape on the party line, but he is—

Mr Callahan: You will never whip Don into shape. I have great respect for Don.

The Chairman: You may have missed the Ottawa presentations, because the Hansards are not available, but we are now up to 75 per cent.

Mr Callahan: In any event, I have great respect for Don. He has done a great deal for my city in terms of parks and recreation and so on. He is always there to get something when it is needed, so I have great respect for him. I gather he is aberrant—

Mr Johnston: A little bit.

Mr Callahan: A little aberrant, okay. I think a couple of them said he might be.

Mr Johnston: At the moment it happens to be approximately the profit of the interprovincial lotteries. What we are really saying in a different way is that we believed for 14 years that we had a claim to the profits of the intraprovincial lotteries and we want to be maintained at about that level. That happens to convert to one third of the six lotteries' profit.

Mr Callahan: Then going back to my—

The Chairman: Mr Callahan, the presentation took quite a bit longer than usual, so we do not have that much time.

Mr Callahan: Very quickly, it is \$150 million, but again, using my reasoning, whether it is logical or not, if you had a fixed third, that could go up or down depending on the success or failure of the lotteries.

Mr Johnston: We realize that.

Mr Callahan: In my community we are seeing an awful lot of bingo. People are putting their money into bingo and they have stopped buying that Lottario ticket because they have not even come close, so they go to bingo. Would you not feel that rather than having a fractional portion, it would be safer to have some other type of guarantee of a fixed amount?

Mr Johnston: Obviously, we would look at optional ways of doing it, but what we want is an ability to—

Mr Callahan: To plan. You want to plan.

Mr Johnston: —measure what it is going to be so that we can plan. If Bill 119 does nothing else, hopefully it will do away with the holdback that we have under the existing legislation. If we can get rid of the holdback and if we can get some kind of specific sense of what you mean when you agree that we are a priority within the expenditure of lottery funds, you will have a much more contented community out there.

Mr Callahan: Okay, and that lets you plan. I understand that.

The Chairman: I have been advised by our clerk that all the other presenters for the afternoon are waiting in the wings, so I am going to stick to the time limit. We have only three more minutes for this group.

Mr Farnan: I am just reading a book called Yes, Minister. While you

certainly have the charm and sharpness of mind of Sir Humphrey Appleby, as you may recall, nevertheless, the presentation was a delight in preciseness, clarity and directness in focus. Maybe it is my good fortune to meet you in your post-ministerial life.

I took notes, which I will share with my colleagues, in terms of the whole area of statistics. I think we have all heard the expression, "You've got lies, damned lies and statistics." I think you can go back and massage the statistics and come to a stalemate. With statistics, it is not something where one side wins or loses.

What was more important and more dramatic to me in your presentation was your summation, the last few words. You did it as no opposition member can do it. Whatever we and the Conservatives say is going to be perceived (a) in a partisan light and (b) as simply exploiting a situation.

What you said in terms of the different kinds of groups that came and the appeal to the government to allay the fears that are out there—if anything, we would have to be totally insensitive if, as we have listened to all of these 100 groups, we did not realize that in the culture, arts, recreation, sport and fitness groups there is a fear.

The importance of giving some kind of assurance—you used an expression, "a measure of assurance," I think, is needed. I honestly believe what is needed is a covenant, and I have said this before and I will say it again: I am not interested in which governments of the past messed up the previous covenant. Really, we are talking about 1989 and the 1990s and what will happen in future, and we are really talking about this government.

1540

Will this government make a covenant with culture, recreation and all of the volunteers out there who simply want to be part of a partnership they can understand, having felt that the wording in the past, although it appeared to be explicit, really in practice was not? Can we get wording that people will understand clearly? The words that I think the groups are asking for are "a minimum of a third" and the "trust fund of the unallocated surplus."

The Chairman: I think that is a good point for me to say thank you very much to you, gentlemen. It was a very interesting half hour. I am sorry we do not have longer.

Our fourth presentation of the afternoon is on behalf of the Tom Thomson Memorial Art Gallery. Margaret Mitchell, the director of that gallery, will be making that presentation, and she also is representing the Grey Bruce Arts Council. Welcome to the group, Margaret. You may begin when you are ready.

#### TOM THOMSON MEMORIAL ART GALLERY

Miss Mitchell: Thank you very much. I use the name Maggie. I do not want "Margaret." I am the director of the Tom Thomson Memorial Art Gallery. I have been in the art gallery field, having left first the health field and then the community health field. In fact, I worked for Central Neighbourhood House about 20 years ago, so it was very interesting to listen to Lin Grist's presentation.

I have had an anniversary this fall. I have now been in the art gallery field for 15 years and believe the lottery program is 14 years old. I am not



going to bring you statistics; I am going to bring you a rather personal perspective from a smaller community. I think this is the dimension that I can give to you at this point.

I have chosen to work in smaller communities, and it is rather interesting. I have worked where I am the board member on a board who hires a person who is the board member where I am employed, so it gets a little complicated at times. I think in small communities you very quickly can affect the life of that community. You can dream up a scheme at eight o'clock in the morning; by 10 you have talked to the mayor, the city engineer and the police chief, and just have to go through one more hurdle to get a grand program of kids painting the glass windows on an empty building. That kind of speed and responsiveness sometimes is very nice in a small community.

I think the lottery program is particularly important to the small communities. We often feel disfranchised and disempowered. Because Toronto is so large and important, you never come to see us in our communities, so we must come to see you in your community about things that affect us very directly.

In looking back through the time when the lottery program got started, I think the excitement was rather interesting. As was noted, there were vagaries on how to handle the money, but I think an exciting idea was proposed.

There was a very clear distinction at that time. A large number of curates came forward and said, "Gambling money should not be used by the government," and so a distinction was made that essential services should not be funded by the lottery funds. But culture and recreation are seen as being a bit on the fringe, so they could be assisted. I am one then who never gambles; I have never paid \$1 into any of these lottery funds, except that I gamble at the other end as to whether I can get the money to do creative things within the community.

The idealism and the goals that were established at that time in part made it so that the provincial government could form a partnership with the voluntary groups within the communities. Through this partnership they could touch the lives directly within the communities, and through those volunteers they could build the provincial character and pride in what this province was achieving.

Because it was not to be in operational funds, through all of those projects this allowed the groups to stretch and try to achieve what they felt they could not achieve without assistance from the province. Within the time the lottery funds have been here, we have had many of the arenas replaced that were not safe and might have come tumbling down. We also have many of the galleries that were not safely protecting the art now able to protect the art.

Within the weeks that you have met with deputations, and I am assuming you have seen 100, I am asking you whether you now feel from these groups that you are a partner, that you are helping them to stretch, that you are touching their lives directly and that you are helping them to build the province, its character, its pride and its nature.

I think in part I have felt that there has been a decay, partly in the trust and the partnership. Approximately 10 years ago the whispering campaign came out that the figures were not possible to find, there was not appropriate accounting, and that money was being redirected into the Treasurer's slush fund. Thus, over 10 years people have been feeling that they could not find

the real figures. Even here you may have people giving you different figures, fighting about what are the true figures. So, with this project way of handling the lottery funding, there seems to be a different type of accountability regarding funding than there is for tax dollars. I think this in part has helped to decay a trust and to decay the partnership. I think this is a question for you to consider, as well as the question of: Is it a fight between health dollars and recreation and arts dollars?

Over the 10 years, I want to detail to you that I think there has been a decay in the effectiveness of the investment participation of the province. I will give you three case studies where lottery funding was possible before and is no longer possible, even though the need or the great results might still be there.

In the latter 1970s, I worked rather alone as an educator in a gallery in Stratford. Throughout southwestern Ontario, several educators were struggling with a new field, isolated at their own galleries and, in addition, were responsible for volunteers to carry out their mandate to see the 1,000 to 5,000 students and other people who would come to see them. In discussing with a ministry regional representative about this problem and how it was wearing me out, he proposed that we go after lottery funding to be able to get a yearly conference for the volunteers, and then between the yearly conference to have seminars for the paid staff who were giving the leadership to them. We had such seminars on leadership, goal-setting and other technical matters.

At this point, a similar situation, if it should exist, could not be funded by the lotteries. At this point, within the ministry that we connect with, there are no funds allotted to the training of volunteers. This, it seems, is probably because of limitations of funds.

When I then moved to be the director of the St Thomas gallery, I was in another unique situation. I was the one staff with a half-time secretary and a gallery that was almost bankrupt. We mobilized the gallery, and at a time when the recession was hitting in 1981-82, our gallery was ready to start considering moving into the 20th century regarding what art was in our collection. We also had a situation that many needy artists were needing some income. Artists get hit by recessions much more than others.

We had an older collection and we wanted to have a contemporary collection. I, again using the ministry rep, was able, through the several levels, to get permission from Toronto that the competition of a juried show could have purchase awards, and we went out and brought in a phenomenal number of competitors and had a good selection.

I had not the time to go to these artists' studios to visit them. I had a gallery that needed to become more contemporary. I had artists who needed to have income. Quite a few of these artists were from the area or from London, or even from beyond, but the selection was on the basis of the value. At that time, two years later, the way I had used the lottery funds was proscribed. It is now in the rules: "You cannot use it as Maggie Mitchell and the St Thomas gallery planned to."

1550

When I moved to Owen Sound, there was a rather creative architect who came to town and worked on the heritage main street program. He worked with the DIA, the downtown improvement area, thus working with the businesses of the area. They proposed having an arts festival and for part of that arts



festival having a competitive mural built. They had the artists send the things in and then the artist was paid to produce a mural approximately 10 feet by 25 feet, like that wall, and the lottery funding assisted in that.

Again, two years later, it was proscribed. The rules now did not allow any art-in-public project money except to established institutions such as art galleries, so now the businessmen could no longer scheme to have a mural. The murals remain within the community. They are out there where the artists care that the passing public will be able to see the art. This is a commitment that most art galleries also have.

These are three examples where there has been a tightening down of the possibilities of effective and creative use of the lottery funds.

As within the last two years, when there were the first discussions of this bill, both at the Grey-Bruce Arts Council and at the Tom Thomson Memorial Gallery we were told: "Trust us, culture will be looked after. Trust us, there will be lottery funding." Neither organization finally believed this and asked, in letters which you have on file, that there be some guarantee, some assurance that the culture programs would be considered adequately within the new lottery system.

I would like to state to you that of course minimally I support the one third and the trust fund idea as proposed by many of the people who have come before you. I want to also point out to you that arts and culture are one of the fastest-growing things. What was adequate five years ago is no longer adequate because the public is demanding much more of us.

I am myself not certain as to just which way to establish an adequate stimulus. I really feel that it is too bad we no longer can have lottery funding to educate volunteers and no longer respond to a particular situation and no longer respond to businessmen and not just to institutional clients. I think you have questions beyond what are immediately in your bill, but I wanted to bring this perspective to you.

The Chairman: Thank you very much for your presentation, Maggie, if I may presume to call you by your first name.

Miss Mitchell: Please do.

The Chairman: I have a list left from the last presentation and Mrs Cunningham is the person on that list first.

Mrs Cunningham: Thank you for your presentation. Do you have copies? I suppose we will be able to read it in Hansard.

Miss Mitchell: I will get you copies or you can read it in Hansard.

Mrs Cunningham: We will be able to read it in Hansard, I think, but thank you.

I share your concerns. I like the word "minimal." I wonder how you will respond to this. The real issue right now is that the government, of course, has this unallocated surplus, which was to be designated over the years to be spent on culture and recreation. Right now they cannot, without this bill, disburse these funds.

I suppose one could be practical and come before the committee and say,



"There is so much needed out in our communities; you ought to disburse all this money over the next three or four years and come up with a plan and tell us how you are doing it." Those lottery tickets were purchased by the public, especially in earlier years when they bought the tickets with the athletes and the dancers and the theatre on, and it was very clearly designated funding. And I feel sometimes like you are giving up by saying one third—and I know that is not you, Maggie, because you said "minimal"—and that one third comes because that happens to be what the public spends on those particular tickets. Wintario, Lottario and the instant games happens to be about that. I can give you numbers if you want them.

Really, the government in 1986 took the other two thirds that were originally designated for health funding and put it into the general fund. Now with the other third they are trying to do the same thing except designate it for health, and you should be very concerned about this.

I thought we would have heard more that the tickets ought to have the old pictures back on them and what you ought to do with the money that the public is entrusting—people have their choice now. They can buy Wintario, Lottario or instant games tickets now and that money, by virtue of the corporation, the bill, goes into recreation and culture. Right now that is the way the law is.

If it is a third, we really are not changing the law very much except to say that whatever is left that they do not spend—and there is no rule around what they do spend—goes into health. I think that is a really sad argument, because really, two thirds of the lottery money right now could be put into health if the government wanted it there. It was intended in the beginning to be in health-related research to do with seniors, to do with the Ontario Trillium Foundation, which, by the way, did not get any after 1986.

I really appreciate your position, I just wondered if you have any thoughts about advertising the tickets to the public so that when people do buy Lottario, Wintario and instant game tickets, they know they are clearly for recreation and culture and the other tickets could be designated for health, if that is where the government wants to put the money. That was the intent in the beginning. Has your group thought of any of that?

Miss Mitchell: No.

Mrs Cunningham: But you do remember how that was originally?

Miss Mitchell: Yes. Initially, too, it was felt you did not know how long and how well the tickets would be bought. I think they have done marvellously to recycle the interest in starting new and different games. They must have used a lot of good, wise marketing related to that. But I do not have any idea on yours.

Mrs Cunningham: The other issues you raised with us with regard to partnerships and the rules are probably somewhat more internal and perhaps we ought to pursue them in a different arena. I was not aware that there could not be some creative program around training. I was not aware in these tough times that the business community could not be involved in any—

Miss Mitchell: Okay. My example, in part, is to point up that there have been such limitations at the same as time people are saying, "There's money, you're getting it; trust us." We probably are refused 50 per cent of our applications, some of them for really good ones, and we have these

categories.

Within the last quarter of this year, they have now designated a new special projects category where the rules are not there any more—again, you tell us, like back to those days—and they did not advertise it. People out in the arts community did not know that there now was a new category that was very flexible and fluid.

That kind of scheme might now be possible through it, but the designations are very difficult. We are told we are refused because there is limited money, but at the same time we know millions of dollars are being set aside. I do not know whether there is an upper limit for the special projects fund if I suddenly gobble at it. It is just a fact that trust has decreased.

Mrs Cunningham: One last question: Are you involved or is anybody you know involved in any kind of advisory committee to the government around the disbursement and the rules on these funds?

Miss Mitchell: There is a study starting and Peat Marwick is involved. I have been asked to participate in that.

Mrs Cunningham: And what is that to do with?

Miss Mitchell: That is to do with how they are planning the allocations and the rule categories of grants within the Ministry of Culture and Communications.

Mrs Cunningham: But you are not certain whether they have it under recreation.

Miss Mitchell: No, I do not know.

Mrs Cunningham: Interesting. Thank you very much.

The Chairman: I think it is ministry-generated and it is just the one ministry. It is not a co-ordinated effort.

Mr Callahan: I just would like to take up that question where you say that 50 per cent of the applications are refused. We had some statistics from the Ministry of Culture and Communications both on noncapital and capital spending and just to take—well, we have 1985 through 1989—

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Miss Mitchell: Mr Callahan, I said I was not going to be a source of statistics. Within the last half year I have applied for four and got two of the four and the Grey-Bruce Arts Council last year at this time had a similar figure of applications and got 50 per cent.

Mr Callahan: Oh, so you are saying in your own specific area, because I would have to tell you that the statistics that we have from the ministry allocations were, just for instance 1988-89, there were 1,440 applications for a requested amount of \$14,689,000 and of that 1,090 were approved, for a total amount paid out of \$11,950,100, so 350 were not approved. If you go back to 1987, there were 1,790 applications—this is not capital; this is current—and of the 1,790, 1,370 were approved, leaving 420 unapproved. The amount requested was almost \$16 million; they were given about \$11.5 million.

Miss Mitchell: Part of my presentation stated that, because of limitations of funds, the creative use of the lottery funds has been decaying and I gave three examples where very good use of the lottery funds was possible before and is no longer possible.

Mr Callahan: Okay. Let me just ask you a question I just asked the last gentleman, who, as I understand it, represents or is certainly a driving force behind the alliance.

We can understand that for planning purposes it is essential to have some idea of what moneys you are planning within. We also understand that when the lotteries—ie Wintario, which was the first one; that was established in 1975—revenue that was received in that year—and I agree, the tickets had swimmers and track people on them and all the rest of it—was \$42 million and, of that, the government of the day expended \$4 million. So right off the start you did not get a fair shake at it.

In 1976, \$76 million came in on Wintario and Lottario and \$36 million was allocated, and so on down the line, but I have to tell you that in 1985, \$136 million came in and \$109 million was paid out, so there was a significant jump in the expenditures over the years.

If you had your druthers, what would you be looking at in terms of an amount that you would want to have some assurance of?

Miss Mitchell: I was saying a minimum of a third.

Mr Callahan: Have you figured that out in terms of dollars?

Miss Mitchell: No. It is equivalent to something like now. And I added that, remember, arts, culture is the fastest-growing field. It may not be adequate.

Mr Callahan: We have no difficulty with that. I think that all of the members of the Legislature are in agreement that arts, culture, recreation, sports and so on are essential to the fabric of this province.

The reason I ask you is that we have had—

The Chairman: Mr Callahan, we have to wind this up.

Mr Callahan: Okay, very quickly, we have had indications from groups where they were talking about amounts of \$300 million, \$400 million. We are not sure what; we have had different figures. So if you are talking about a third of \$300 million, that is \$100 million. If you are talking about a third of \$400 million, I am not sure what that is because I am terrible at math—well, \$120 to \$150 million. Does that sound like what you are talking about?

Miss Mitchell: What I am talking about is not a dollar figure, because, in part, the lottery profits go up and down.

Mr Callahan: That is right, and I would put that to a number of groups that have come here, that is the reason why the one third being ensconced in legislation could be dangerous, because with all these things like bingo and so on, you might find that the—

The Chairman: I think Maggie has been very clear on where she stands



on this. I would like to go on to Ms Bryden so the other two people get a chance.

Ms Bryden: I really appreciate your coming before us to tell us particularly about the failures of the lottery funds to continue very valuable programs that you have been able to fund with lottery money in the past, such as the training of volunteers, responding to a particular crisis situation in connection with an art gallery that is about to go broke, and third, the question of getting art into the community through artists' festivals. They are no longer funding murals except in art galleries, presumably, and murals should be seen out in the community because they portray the activities of the community. Those are three areas where lottery funds have been denied and no longer qualify for these kinds of activities and I think that is a failure that you have brought to our attention.

You also mentioned that the creative use of funds has been deteriorating because of lack of grants that you used to get in other ways and you cannot operate as efficiently. I think that ripple effect of cutting back has been pointed out by others, but you say that 50 per cent of your applications are refused. Somebody says, "Trust us, we'll look after you." Who is saying "trust us"?

Miss Mitchell: Replies to our letters about Bill 119; a letter signed at the bottom by their David Peterson; a reply in a letter signed by our local MPP.

Ms Bryden: But the grants did not come through and your programs appear to be deteriorating.

Miss Mitchell: The limitations on grants are pretty serious. One of those that I was refused the committee was determined to have and I was asked to ask if there was any chance of getting funded. I phoned and was told: "Get your application in by Monday. There are not very many in and we won't have that much competition for the ceiling that has been set." It is a cattle auction out there.

Ms Bryden: I see that you support one third of, really, total lottery funds that come in from all sources. I think that is what the group that is supporting the one-third figure goes for, rather than distinguishing between the different lotteries.

The 1986 legislation gave the government power to spend all the money that came into the interprovincial and new lotteries without any guidelines and strictly at the whim of the Treasurer or the government. Does that justify extending that principle to the remaining lottery funds that cover the lotteries that have been in effect since the act was passed in 1974; in other words, the original ones where there is a dedication? Does that justify refusing any guidelines and refusing any dedication of the total funds in order to preserve the original purpose of the act, recreation, culture, fitness and sports? That is really what the government members are telling us, that because they have the power now to spend it by whim, without guidelines, we should have the power to spend it without guidelines for all of the lottery money.

Miss Mitchell: I am for there being guidelines and I am for there being just as careful accountability about lottery funds as there is about tax dollars.

Mr Faubert: I found this presentation very eloquent in the fact that you reiterated what Mr Johnston was saying, that not only is the whole field expanding and therefore the demand for dollars is expanding, but indeed public expectations are higher. I think that is a very valid point to make and I am glad that is on the record.

One of the areas that you talked about was in terms of encouragement of creative funding approvals. Others have mentioned the fact that in the brief—Mrs Cunningham, perhaps this is in another forum—there was at one time a 50 per cent matching collection grant—was that not available at one time—and that has been reduced?

Miss Mitchell: It is still available. It has changed. It is reduced, you are right; in effect, reduced.

Mr Faubert: I just wondered what effect that has.

Miss Mitchell: The money is not as available, and there was an upper limit set some years ago too.

Mr Faubert: They have also put a cap on it.

Miss Mitchell: That is right, yes.

The Chairman: Thank you very much, Maggie, for a very interesting presentation from the small-town perspective. I share that perspective with you, so I found it very interesting personally.

Miss Mitchell: Greetings from Arlene Kennedy.

The Chairman: Thank you very much.

Our next presentation is on behalf of Major Roadworks Inc. Peter Snell, the artistic director, will be giving that presentation. You may carry on at will, Peter. I am going to take a moment to say hello to Maggie.

#### MAJOR ROADWORKS INC

Mr Snell: Certainly. I would like to say that, coming from a small town, I will underline too that the funds have been very important to the town where I come from. This is not in my brief here. They do a lot of their amateur dramatics in a hall that was put together with lottery money. I do not think anything happened in that town since the 1940s in the way of theatre until the lottery money came through and made it possible, so sometimes people in small towns feel disenfranchised, I think, or are out of it and are not aware of what is available.

My submission is not statistics-filled either. It is a personal view. It is a view of, I believe, the morality of potentially cutting off the funds through Bill 119 and, as I hope to convince you through my submission, of the potential damage it could do to the kind of people we work with in theatre.

I should mention at the outset that we support the proposals of the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario. As indicated in their submission, we feel that the honouring of past commitments is the only moral path the government can take.

I would like to begin by telling you a bit about Major Roadworks and why lottery funds are important to our work.

Major Roadworks theatre works primarily in prisons. We take professionals behind the walls and work directly with inmates to create theatre. Sometimes some of our work is original; sometimes we work with pre-scripted material. Always we are met by men and women who are spiritually starved. Their creativity has been stifled to the point that violence is their only perceived outlet.

Most of our theatrical equipment has been funded by lottery money. We are actually making a request for funds at this moment. I cannot measure numerically the amount by which this money has benefited our work, but I do know that when, after months of work, an inmate sees us trundling down the hall with our lighting system, he or she knows we mean business. "Hey, these guys really care, they're really into their work," they will say. They crowd around the lighting and sound consoles wanting to twist knobs and slide levers. Ideas pour out for technical handling of the play at hand.

That is when I know it has all been worth it. These people, seen all too often as society's castoffs, are in control of themselves. They are creating, they are turning a situation from negative to positive, and if we keep it up, they will make citizens who will contribute to society when they get out.

I think if Bill 119 saps money away from us, then you are taking money away from them and in the end we will all suffer. I am not a statistics person, I usually trust my subjective instincts, but let me go into one short foray into statistics.

Studies have illustrated that arts programming is among the most beneficial and cost-effective methods of both reducing recidivism after release and of reducing recidivism rates within the facility. A three-year study from 1979 to 1981 showed that New Jersey inmates involved in arts programming stood a 50 per cent lesser chance of rearrest and a 65 per cent greater likelihood of finding employment. A 1983 cost-benefit study of California's arts in corrections program at four of the state's facilities showed a net savings of \$92,637 and significant decreases in infraction rates. Excluding those inmates who were disciplinary-free prior to taking part in the program, from 75 per cent to 81 per cent of participants demonstrated improved behaviour through fewer disciplinary actions. If you are interested later, I have the sources of those statistics.

In a more prosaic tone, to quote a former Moderator of the United Church in a newspaper article on our work, "We bring light into dark places."

Why? Theatre has many facets. There are as many different audiences as there are approaches to that audience. I, along with most of my peers, want theatre to mean something. I have become involved in a movement commonly called popular theatre. It seeks to use theatre as a tool for people to explore issues, to develop their creativity, to develop feelings of their own worth and to gain a sense of their individual and collective power.

Our theatre has worked with illiterate inmates to help them find ways to express themselves and to find doors into the literate world. An illiterate man or woman is generally a frustrated, disenfranchised and potentially criminal person. Over 60 per cent of inmates are illiterate to some degree, by the Ministry of Correctional Services' own estimates, and some say the figures are higher.



If the government reduces the funding from organizations such as ours, we will all be much the poorer for it. There will be more police, more prisons and more security. That is a very negative and ultimately undemocratic way to deal with society's ills.

Without the arts we will have a morally and spiritually bankrupt nation. That means a nation that in the end pays more for its health care and security. "An ounce of prevention is worth a pound of cure" may be a tired cliché, but it is apt. If the government cuts the trickle it now gives to arts and fitness, it will have to open the floodgates in future generations to cover the damage.

Just on a personal note, some years ago I was in the north of England walking through a brand-new prison with the warden, just before we were to perform. I was making small talk with him and I said to him, "You must be very happy running such an up-to-date facility." He looked rather sad and he said to me: "You know, if this government"—this is the British government he was talking about—"would put £25,000 into the Brixton slums instead of £6,000 into this brick and mortar, we'd be a lot further ahead. But then, politicians are only elected for four or five years and I'm talking about long-term and slow improvement of our present condition." I knew exactly what he meant because I lived in Brixton at that time.

Theatre, like all arts, is a forum for people to experience and discuss ideas, attitudes and issues. If they are strangled or left insecure through funding proposals such as Bill 119, then our collective methods of discussing are cut off. Our democratic ideals are left by the wayside.

Last night I read a bit of Immanuel Kant's What is Enlightenment. I am sure it was as fortification for my stint here today. One of the statements struck me:

"Those guardians who have kindly taken supervision upon themselves see to it the majority of mankind—among them the entire fair sex—should consider the step to maturity, not only as hard, but as extremely dangerous. First these guardians make their domestic cattle stupid and carefully prevent the docile creatures from taking a single step without the leading string that they have fastened to them."

Take this money away from the arts and the government is taking away our money. I do not believe our politicians mean to treat Canadians as stupid domestic cattle, but if you take away our means of conversing together, that will be the effect.

I am thinking specifically now of a group of men in Warkworth prison—Marty, Tony, Steve, Youngblood and the rest—all sharp, intelligent men who want to participate in our society if only they could see a way. If they cannot find a way, well, we will have to put up with their criminal ways. And we will have to pay to look after them, at \$40,000 to \$60,000 per year each.

The import of my argument, of course, is that we are not making a choice between hospitals, the environment and arts and sports here. We are making decisions as to how to maintain and improve ourselves physically and spiritually as Canadians. In a time when money is tight, we must make judicious choices. I believe that unless we show support for the arts, we will be bequeathing an unthinkable world to our children.

I am not overstating my case. This is a crucial issue with far-reaching effects. Our leaders talk about wiping out illiteracy, about making our streets safer, about improving the quality of life, about improving our health system and about listening to the people's will. I would like to see leaders that can see through the smokescreen of facts and figures and the false setting at odds of hospitals and the arts to what is really at stake: the lowering of our standard of life and an ultimate increase in government spending.

I would just like to read you some bits—I do not think it will take too long—from the men themselves whom we deal with and the effect that our work has had on them.

I will start at the light end. This is one fellow from Joyceville:

"The major thing is that you get a kind of self-esteem, a self-worth; that you've accomplished something while you are here. What else can you accomplish? You could try for a welding certificate, you could do this or that or whatever, but this is for yourself. Nobody goes down into that back classroom for the population"—he means the population of the prison—"Once you do it for yourself, then you do it for the population. Everybody gets a smile on his face. I think that's the whole thing: to have everybody that saw the play come out with a smile on his face. You don't get a smile in here too often. It's not a happy-go-lucky place, but at least for a while they had a laugh. They feel good. It was worth while going down to the gym to see a bunch of nuts running around."

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This is addressed at myself and my wife, who are the main people to go into the prisons:

"Dear Carol and Pete:

"I would like to express my thanks for the opportunity you gave me to learn something about acting. This was the very first time I had experienced something that was so enjoyable. At first it seemed something complicated and full of interruptions, but as the days passed it became more and more interesting and exciting.

"At first I was a little sceptical about knowing what to expect or what the outcome would be, but in a way I am glad I was able to stick it out because I learned a lot about myself. I found out I could act and I enjoyed it and never thought I would.

"I was going through rough times and felt a lot of bitterness and frustration. The play helped me get some relief and gave me time to think. Without it I would have carried on with my bitterness and self-pity and only hurt myself. Now I think I have a better outlook on life and I will make it through my sentence with a new confidence that I am worth something.

"I may never make Hollywood but I think I might like to try some bit acting for a small company or a church production. I have picked up a book titled 15 American One-Act Plays and another called 10 Canadian Short Plays and I will read both books to see if some of the plays are interesting.

"Hopefully, I can learn more about plays and acting by reading and studying. Without the two of you, I doubt I would ever have had this interest.

Thank you again from the bottom of my heart."

That is from a guy called Marty.

This last one is a murderer. I would like you to take this into account for whatever you feel, whether it is worth what he says or not. I think in about three years he will be out on the street again. Hopefully, he will be on the street in better shape than he was when we dealt with him.

"8 am: I phone my mother and after beating around the bush I told her that I had been charged with first-degree murder. Do you know what she did? She laughed. She told me it was a little early in the morning to joke around, I must be in a very good mood today.

"Then I handed the phone to the police officer, 10 feet away. Pete and Carol, after he told her, I could hear her screaming and crying for her baby boy. She had an anxiety attack and a pretty bad heart attack. Since then, she has had four nervous breakdowns. Do you know what that does to me? Do you have any idea how to vent feelings like that, to try and forget? I can still hear her on the phone and it hurts so bad. It is constantly with me. I do not expect you to understand totally because you cannot.

"You are two wonderful people who make time go a lot easier because you show interest in us. I only wish there were more like the two of you."

I say that not only for myself; I hope there are more of us too. The only way there can be more of us is by there being more money so that more people can go in and so that the Harrys and the Freds and all the rest of them come out better people when they come out, people able to run their own lives and not be a burden on all of us.

That is my bit.

Mr Callahan: I would like to thank you for that presentation. It was certainly very moving. I am a firm believer that, like the mechanic says, "You can either pay me now or pay me later." Certainly, whatever happens to Bill 119, I hope that you would put some of those ideas forward to the Minister of Correctional Services (Mr Patten), most specifically about the effect and impact you can have on the inmates when they come out and also the literacy side of it. I am inclined to agree with you that it is why many of these people are in custody, either illiteracy or learning disabilities as kids.

In any event, what we are trying to do with Bill 119—and I can understand where you are coming from and I understand where other groups are coming from. They are not satisfied with just an open-ended deal, they want some guarantee. Thus far, we first had a one-third suggestion and then, as indicated by a witness two witnesses before you, they revamped it to a minimum of one third because I suggested they might get hung up in that category. Have you given any thought to figures?

Mr Snell: No, I must honestly say I have not. The level of figures for us is basically seeing what is available and asking for it. In terms of the millions, I have not really thought about that.

Mr Callahan: You made one statement or comment while you were reading to us. You said something to the effect that when time and money are tight, you have to be judicious in spending it. I think you can appreciate that is one of the difficulties that anybody administering funds has, be it a



family or a government.

If you earmark a specific fractional amount, then you do two things: first of all, you tie your hands in terms of looking after other equally important arrangements in tight money situations, and second, you also put the people who take the third in a position where, if the lotteries start to disappear or go down, a cynical government of the day could say: "That's it. You asked for it. That's what you got and you don't get any more."

Also, you might be trying to fit programs such as yours into the lottery program. From what you have told me, I think your program is something that probably should be contained within the appropriations of the Ministry of Correctional Services. You are serving a very useful function, I think.

Mr Snell: Yes, certainly, and we do get some money from them, but I think one of the most important things, both to the people we deal with and ourselves, is that we keep some autonomy from that organization. If all our funds come from Correctional Services, then it is very difficult for us to run our own programs. Also, we are seen by the people we deal with—

Mr Callahan: As part of the corrections system.

Mr Snell: Just another wing of them. One of the joys of our work is that they see us come in and say, "Oh, you are a theatre group; you do theatre?" And they skirt around the bush and say: "Are you attached to a church? What political party are you part of?" Once they clear the air and we say, "No, we're just bunch of people from a small town who come in and do theatre," they feel very much more confident.

Therefore, I feel much more comfortable getting our funds from where we do now—foundations and the lotteries, the arts councils—and seeing myself as an arts person, not a social worker. We do not consider ourselves social workers, even though the effect may be that we are that.

Mr Callahan: Just finally, if you could give the sources of those statistics to the clerk, I would appreciate that.

Mr Snell: Sure. The California one comes from the William James Association and its address is 1079 Emeline Avenue, Santa Cruz, California, 95060. The New Jersey one was a survey done by a group called Theater Without Bars and I think they are based somewhere in New Jersey. Unfortunately, I do not have an address.

The Chairman: Could the researcher have a copy of what you just read from? You went a little fast and she would like the zip codes. You do not have to repeat it as that would take more time, but she would really appreciate having that.

Mr Snell: Oh, sorry. The address?

The Chairman: Yes, to copy it at the end.

Ms Bryden: Mr Snell, I think if you had not come here we would not have known a thing about Major Roadworks Inc and I think it is a project we all should know about. It has a very important role in the rehabilitation of people in prisons and possibly in rehabilitating them and getting them back into the community.

Also, I appreciate your addressing the question of the morality of potentially cutting off funds from culture and recreation even though the original commitment when the lotteries were established and the Ontario Lottery Corp was established was to culture, recreation, fitness and sports. I think we need more questioning of that particular morality and I really appreciate your telling us how your work has a snowball effect in the community, bringing arts and culture to people and to the prison population.

Are you aware that the present bill really gives absolutely no guarantee that one cent will go to culture, recreation, fitness and sports, because it gives the government and the Treasurer the power to allocate every cent that comes in from lotteries? This is not tax money; this is a special fund created as a result of instituting lotteries in this province.

1630

Are you aware that you could be absolutely starved out of existence if the Treasurer followed the potential that is in this bill, and that really what is needed is not just the one-third guarantee of the total funds, but several guaranteed allocations? They are not necessarily earmarking certain proceeds, but there should be a particular allocation for cultural activities and another one for recreation activities. For the other processes that are wanted, there should be other allocations, but it should not all come out of the one pot, leaving the Treasurer to decide who gets what.

Mr Snell: Yes, I am aware of it. That is, I think, the crux of what I am saying. I really do believe that there should be some guarantee. I must admit that in talking with the alliance I have stuck to the one third, because it was felt that was what was attainable. What is desirable, I agree, is some harder guarantee that there should be more money available every year.

Ms Bryden: Yes, you have made a very strong case for the need for growth, particularly in the rec and culture field and the theatrical field, and that is part of the coming way of educating the population, but what you have shown us is that even if there is a guarantee it may become a minimum. I think the alliance would naturally like to see it become a base, but able to be increased by a piece of legislation that would suggest the guidelines for allocating all of the funds, with a minimum to culture and rec and more for the areas needing additional support to fulfil their role.

Mr Snell: Absolutely yes, I agree.

The Chairman: Thank you very much. We have about six minutes left. Mrs Cunningham, I would appreciate if you would leave a couple for Mr Sola. He would like to ask a question, too.

Mrs Cunningham: Okay. I really admire you. I am glad that you came today; I did not realize that is what your company did. I am sure everybody was rather moved by your presentation, so thank you. I think that many of us share your concern.

I am not quite certain what route to take on this one, except to say that you are quite right in that the government has not spent all the money that has been collected from Wintario, Lottario and instant games. The numbers for the unallocated surplus amount are different. The last audited figures were for 1986-87, and it was \$247.8 million, and the estimates for 1987-88 are \$369 million. The second part of this bill, the transitional part, would put that into the general revenue. It would be lost. I think that is a shame,

given what you stated.

The government argument will be that more money has been spent than ever before, eight per cent, or something, a year on cultural and recreation activities. Most of us who are involved in the field know that it was never enough in the beginning, and will never be enough no matter what. But the one thing for sure is, when someone buys a ticket that says Wintario, Lottario or instant games he will know where his money is going, and I just encourage you to stick by what you have stated and not to be dissuaded by any numbers like one third.

Just in closing, to give you some information, the last period for which we had audited figures, in 1986-87, the Ontario games accounted for less than 40 per cent of the total Ontario profits in lotteries. That is where the number is coming from. If we just ask for a third, maybe they will buy into it.

I am a member of the public, and if I buy a ticket for Wintario, Lottario or instant games I want to know where the money is going, and I think everybody should be making that case to the government—not that a third of all the money will go somewhere. But if I buy that ticket, I want it earmarked for that and I will buy that ticket. And if I want it for health and the government wants to speak up and put the other two thirds—I am just giving an approximation—into health, if it needs more money for health, then that is what it ought to be doing with the other ticket money because that was the intent in the first place. It was the Liberal government that changed it.

Mr Snell: Absolutely, and just as a postscript to that, the men and women we deal with, when we say, "Oh look, we were going to have a video camera but we can't afford it," say, "Oh, what happened?" We describe some element of the money situation with the lottery bill and they see it as a kind of, "Yeah, the money's been taken." It is certainly not a good lesson to pass on to the people we deal with. They just see it as, "We're the criminals and they're"—it is all one big thing and whatever you can get and however you can get it. It is not a very good moral tale for the folks we deal with.

Mrs Cunningham: It is another smokescreen, if I can add to it; I am supposed to be asking questions. When the public purchases a ticket, it is right now confused because it thinks that with this bill the money will go to health and that is not so. It may go to health, it may go into the consolidated revenue, it may go anywhere. The sad part is, if they took all of the unallocated money or all of the money that was collected for Wintario, Lottario and the instant games, the \$247.8 million in 1986-87, do you know what that is? Just over one per cent of the total health care budget for that year, so really we are being duped.

Mr Snell: Right.

Mrs Cunningham: Unfortunately, in London—and I represent London North—that is what the public thought until I made it clear. It is not easy sometimes when you have some 94 Liberals and the rest of us. I am just telling you, that is the way it is.

Mr Faubert: Poor you.

Mrs Cunningham: No, I think the Liberals have confused the public and it shows in the presentations before the committee.

Mr Faubert: You are the ones making the confusion.



Mrs Cunningham: With due respect, certainly not my colleague sitting across the room, but the government has in fact confused the public and misled it to think that this money will go into health, and it will not. It does not mean that more money will go into health either. There is no way.

You just have to go back and tell the public you represent. The lobby is not finished. I am sure there will be a better way of presenting it. Honesty means you buy this ticket if you want it for health—and they have that choice; they can put the other two thirds into health—or you buy this ticket if you want it for recreation.

It was a hard struggle to get this lottery stuff going in the first place, and it was sports, recreation and culture that got it in. Darn it, in my community, where I am so used to crawling for those kinds of things, I think it is disgusting that you have to come and crawl today. That is what is happening.

The Chairman: I think you are getting rather wound up here. Since your last "finally" you have been talking for three minutes.

Mrs Cunningham: I am because we have been sitting through this stuff—

Mr Faubert: I do not think he was crawling at all. I think he made a great presentation.

Mrs Cunningham: —and then I hear from the some of the Liberals who ask these ridiculous questions about, "Do you want a third?" That is a misleading question. A third of it goes in now. If I am a member of the public, when I buy a ticket I want the money to go into what it was intended for, not some great big fund down here that can be disbursed—

Interjection.

Mrs Cunningham: You agree with me, Mr Faubert, I know you do.

Mr Chairman: I would like to recognize Mr Sola for the last couple of seconds; we do not have that long.

Mr Sola: I was not going to get partisan, but I have to respond to that last statement by Mrs Cunningham.

Mrs Cunningham: Be careful, because I am really good on this one.

Mr Sola: I would just like to say this: If her party had followed her line of thinking with its actions, Bill 119 would not be necessary. Had her party from inception done what she is suggesting now, you would not be here today making this presentation for Bill 119. That is all I want to say right now.

I want to ask you a question.

Mrs Cunningham: You can agree or disagree.

Mr Snell: I can express confusion.

Mrs Cunningham: Of course, our party got the whole thing going for Wintario, Lottario and instant games.

Mr Faubert: You did not spend the money.

Mrs Cunningham: You did not spend the money; we spent 90 per cent of it.

Mr Faubert: You did not spend—

The Chairman: Order, folks. Mr Sola has the floor.

Mr Sola: You mentioned in your brief something about illiterates and crime. I did not understand it probably the way you meant it, because I think you meant to say that many criminals may be illiterate, but I do not think the corollary is true, that most illiterates are criminals. Somehow, I seem to have gotten that from your presentation. I know many people who are partially or functionally illiterate and yet the ones whom I know are about as far removed from crime or the criminal element, or even the thought of any criminal activity, as you can possibly be. I wonder if you would clarify that.

1640

Mr Snell: Oh, absolutely. I mean, we deal with illiterate people who are in prison. I do not deal with illiterate people outside. That was not meant to be implied at all. But I do say very definitely that part of the reason the illiterate men are in prison is that they are illiterate. They cannot understand. Just as I mentioned here a second ago, I am now confused as to precisely what is being said.

Now, if these men with whom we deal get it from the paper, they are 1,000 times confused. Their only reaction is to go into their own world and their own way of running things and that can have very negative effects. That is because of illiteracy, but I can only speak about those people who are inside.

Mr Sola: Okay. One more point—and I just want to point to this to illustrate my first sentence that Bill 119 would not be necessary had the original intent been carried out—is in the very first year of the Ontario Lottery Corp \$42 million was collected in revenue and only \$4 million was spent for the intended purposes. So right off the bat less than 10 per cent was spent and then it just kept accumulating. I wanted to show that from inception, had the party that was in power at that time followed the honourable members' suggestions, you would not be here today and we would not be here today, at least not on this bill.

Mr Snell: There are two parts to it, are there not?

Mr Sola: Subsequent ones came in later.

Mr Snell: Yes.

Mr Sola: But I am talking about the original and the ones that are interprovincial.

Mr Snell: But looking towards the future, I presume that we are still dealing with this Never Never Land that we potentially could be in for the future funds. I think that is just as important as the residual funds. Where the blame lies, that is not my expertise, I agree. I suppose it can be laid on the subsequent governments down through the years.

Also, to go back to another point to some degree, to the lack of information that is out there as to the availability of some of these grants, I know in my area a lot of people are not aware of them. They are hard to get hold of. You can say it is the waywardness of an individual clerk, but it is quite often the case that you phone up and say, "What is available in the Lottario grants of Culture and Communications?" Often the response to me is, "What do you want?" You have to be quite hard and say, "I want all of them, everything you have, all the bits and pieces of paper, and I will read through and I will decide what I want to apply for."

But a lot of people, especially in prison where there are groups where people potentially could apply to get money, say, a native group or something, do not do it because that is enough to intimidate somebody, saying, "Well," and that is it.

The Chairman: I think that is a good place to thank you, Peter. You do not have to leave for a moment, because I want to pay you a compliment along with a large number of other people who have come before us.

One of the real purposes as a chairperson who is neutral in these kinds of things is that I am just supposed to make sure the process is followed. Consequently, I pay fairly close attention to what is now slightly over 100 presentations. I think the thing that a lot of folks do not understand with respect to hearings like this is that the ministries involved now have the information in writing. Hard data and the concerns are there. I think one of the things that is coming through loud and clear is that the availability of the information on how to get grants, not just at the provincial level but how they relate to the federal and the municipal grant structure too, is something that is a real concern, because there has been a proliferation of programs.

Taking into context the fact that we have heard from a lot of volunteer-oriented organizations—and I know you as a volunteer of long standing often have an hour or two to look at things. If you are handed a stack that high, then you cannot look at them. So you dig in and think you have got the one and it might not be appropriate. This is what makes these hearings really valuable. I think I speak on behalf of the whole committee. We really appreciate people like yourself taking the time to come, particularly when you give us on the second-to-last afternoon an insight into an area where, as Ms Bryden said earlier, perhaps we may not have firsthand information. So thank you very much for coming. It is been very good.

The final presentation of the afternoon is a three-pronged attack by the Burlington Cultural Centre representative, the city of Burlington and the Hamilton-Burlington Young Men's Christian Association in the persons of Ted Pietrzak, the executive director of the cultural centre; Jim Olmstead, the acting director of parks and recreation for the city of Burlington, and Allan Will, representing the Hamilton-Burlington Young Men's Christian Association.

As I indicated earlier, when there are three of you, as long as you have chairs that are reasonably close to the microphones, we can hear you. Make yourselves comfortable.

Mr Olmstead: Thank you. I do have a handout for the committee. If it is appropriate to suggest a format for this approximately 30 minutes, if you do not mind, we do have two presentations, and they are separate presentations. If the committee is willing, what we would prefer to do is to do each half in its entirety and then go to the second half for the other one so that maybe the questions can be directed to each one individually. The



purpose of joining together on this—it will just be a presentation from the Burlington Cultural Centre and the city of Burlington—is basically to save some of your time.

The Chairman: Are you suggesting that we go 15 minutes and 15 minutes, as opposed to the half-hour?

Mr Olmstead: If that is okay with the committee, we would certainly appreciate it.

The Chairman: Fine. That is great.

#### CITY OF BURLINGTON

Mr Olmstead: We do have a handout, if the clerk would not mind distributing it to the committee members.

Being the last delegation in the afternoon brings to mind the analogy one has when he sees his mother-in-law drive over the cliff in his new car. It also brings to mind a format that seems to be followed if you are looking for a job. You always want to be the last interviewed of all the people being interviewed, because hopefully the impression you leave will be the one that will be left with the committee or the deciding body. I guess we have advantages and disadvantages. I do appreciate the fact that you have been here as long as you have and you are prepared to listen to us.

I am here at the decree of the mayor and council for the corporation of the city of Burlington. I have been in the municipal recreation field for approximately 20 years now. Recreation, leisure, culture, sport and fitness have been, are and will be an essential part of everyone's life in this province. I am sure each of you has been touched by your involvements in these activities at some time.

Recreation, culture, sport and fitness are important social benefits because when services and facilities are made available to all members of our community, what results is that an entire social environment is enhanced. Our services are not limited to the young, healthy or competent. We are involved with the physically challenged, the mentally challenged, the elderly, native peoples, new Ontarians and Canadians, skilled, unskilled, learned and uneducated. Our services bring people together for a common enjoyable purpose, reducing potential friction and misunderstandings.

The economy benefits. The multiplier factor of one dollar spent on recreation, culture, sport and fitness has been estimated at a rate of approximately seven times. Significant grants received in Burlington over the past years have been based on the cost of capital construction of facilities. Without these grants, constructions may not have been possible; therefore, increased unemployment may have occurred.

Many small businesses are the backbone of our economy and have been successful due to the parks, recreation, culture, sport and fitness initiatives—dance studios, fitness centres, golf courses, racquet court centres, to name a few. The economic benefit to our community is gigantic, and we need the province's continued assistance.

The political impact: The province of Ontario is recognized in our community for its support and positive encouragement when assistance is given through the profits of lotteries. News releases, plaques, invitations to

openings are just a few of the ways visibility is given when facilities or services are supported.

At a recent Canadian Parks/Recreation Association conference held in Hamilton, Tom Hendry, a Toronto writer, arts consultant and founder of the Toronto Arts Council and an association known as Arts for the Cities, stated the following: "Arts are a measure of a community's quality. Arts are neutral. Arts are politically palatable now."

1650

The health benefits: Much has been written, spoken and repeated about the physical and mental benefits of participating in recreation, culture, sports and fitness activities. No doubt you have heard the commercials on the radio and television, sponsored by the province, advocating the benefits. I need not expand on this further. A media release made earlier this week announced that smoking in Ontario has reduced by some five per cent over the past year.

I bring this announcement to your attention for two reasons: one, I would like you to realize that it is recognized by the recreation profession that recreation activities and programs are not the only ways to improve your physical health; and two, that if this reduction of smokers continues, it is anticipated and hoped that health care services will not require as much funding as they have in the past.

Burlington, like many other communities in Ontario, has had many success stories regarding the provision of recreation, culture, sports and fitness. I dare say these successes must be shared with the province, its ministries and their staff. We have enjoyed the services of some excellent human resources from the different ministries we are involved with, and with their assistance, have helped advance recreation, culture, sport and fitness in our community.

I would like to relay to you the role the province has played in creating these successes. One day when I was visiting the senior citizens' centre, I peeked in on a water-colour painting class. While I was observing one elderly female participant, she looked up at me with a big smile and with her eyes bright and shiny, displaying her pride and pleasure. She said, "The only thing I've ever painted before was our front porch." The centre may not have been there, this person may not have had this enjoyment, had the province of Ontario not assisted.

Recently, the city of Burlington acquired an original farming house that had been in the same family for five or six generations. These families retained some of the original pieces of furniture, utensils, working tools and other artefacts. We have just been notified of a grant that is now going to allow us to do the necessary renovations for safety and security reasons so that thousands of people can visit this museum each year to learn of our heritage. This would not have been possible without the assistance of the province.

From the Ministry of Tourism and Recreation's A Community Recreation Policy Statement, under section 6, goals and objectives, the following is extracted: "The potential to improve the quality of life in Ontario will not be realized unless all partners involved work together to provide the broadest range of recreation opportunities for every individual and group.

"Guiding principles...co-operation and co-ordination among all

recreation partners."

Burlington over the past 20 years has developed a most successful co-operative joint development program of recreation, culture, sports and fitness facilities and services. This model has been copied, duplicated and presented across North America. Through this process, tens of millions of dollars of facilities have been created in Burlington to meet the needs of the community.

Cultural facilities such as the Burlington Cultural Centre, the Burlington Little Theatre, the library and the light opera centre have come to fruition as a result of this co-operative programming. Facilities such as tennis courts, boys' and girls' gymnastics centres, marinas, horse rings, minor sports buildings and playing fields have also been developed in this co-operative manner. A great number of these developments have been dependent upon and have received financial assistance from the province of Ontario. It is felt that this initiative the province of Ontario provides for these developments is one of the major causes for their success.

As you know, local taxes—that is, property taxes—are the main source of funding for municipal responsibilities of recreation, culture, sport and fitness. This source is being bombarded to fund other priorities, notably some of them pushed down from other levels of government. We need the province to guarantee to us financial assistance that will help us meet our mutual goals and objectives. It is this guarantee of financial assistance through the dedication of lottery profits from all lotteries that I am seeking today.

Recreation, culture, sport and fitness are important in Burlington, in Ontario and to each of us. The province must continue to play a supportive role in the provision of these activities. The city of Burlington is prepared to continue its role in working co-operatively with the province, but we need the guarantee that financial assistance will be there when needed.

We understand the great pressure that is being brought upon the province for funding of different initiatives and responsibilities of the province. Health care is a very important aspect of everyone's life in the province. It is our belief that recreation, culture, sports and fitness are also very important aspects of everyone's life in this province. The proposed amendment in Bill 119 will allow the profits of the lotteries to be used not only for recreation, culture, sport and fitness but health care and other initiatives undertaken by the province.

It is the city of Burlington's recommendation that the endorsement of the Parks and Recreation Federation of Ontario's position should be accepted by the province. We respectfully request that an amendment be made to Bill 119 wherein section 9 will state that one third of all lottery profits must be directed to the funding of recreation, culture, sports and fitness needs in Ontario.

Further, we support the allocation of the yearly interest calculated on the \$369-million unallocated surplus to programs the province rates as being ones needing additional financial assistance. Included in these programs, it is our hope that recreation, wellness, seniors' activities, sports safety and fitness would be considered to be financed through this yearly interest.

The preceding is respectfully submitted on behalf of the citizens of Burlington, Ontario, and the elected members of council by myself. I would be most delighted to entertain any questions that may arise.



The Chairman: In the first 15-minute interval that we have been requested to divide the time into, we have about four minutes left. Questions or comments?

Ms Bryden: I certainly appreciate your pointing out the value of recreation and culture to the community, to health and to wellbeing. Are you aware that there is absolutely no guarantee in the present legislation, and if it goes through as it is, all grants will be entirely at the whim of the government, with no guidelines?

Mr Olmstead: Yes, I am.

Ms Bryden: Do you think we can get the designation of funds which you say are essential through this bill, or do we need a new bill which would designate the guidelines for allocating lottery funds?

Mr Olmstead: My preference is to secure the guarantee that there will be moneys allocated from the profits of the lotteries. Whether it is a new bill or an amendment to this bill, I believe it would be a provincial undertaking, as opposed to my giving suggestions as to how to do it.

I would like to make one comment with respect to the percentage that has been talked about and the fact that one third, or any percentage, is not necessarily a format the provincial government follows when it is attempting to provide grants for certain services and so forth. It seems to me that if the province looked at the concept that it not forecast what its profits are going to be and then says, "We are going to give one third of those profits to the subject matter at hand here," but looks at what the profits were from the preceding year and allocates, that would be our budget, those would be our amounts to be allocated in the upcoming year. It would be a way where you would be able to anticipate what your funding maximum would be. It would give you guidelines in that respect and it would not put you, if you will, in the hole so that you were spending uncollected moneys.

The Chairman: Is there a further question or comment in the final minute or two? I think we will go on then, if you do not mind, Ted, to your presentation.

Mr Pietrzak: Thank you, and do call me Ted. My last name is a challenge for many people.

The Chairman: I dodged it on purpose.

#### BURLINGTON CULTURAL CENTRE

Mr Pietrzak: Thank you for this opportunity to make a presentation to express my concerns about Bill 119. I speak for the board of directors of the Burlington Cultural Centre. The first thing I should say is, please accept my advance apology for any slight error in dates that I might give and any frustration in my voice with regard to this legislation.

The reason you do not have a brief in front of you, but several letters, is that it has been an ongoing effort on our part to bring to the attention of various legislators the problems with the funding of the arts in this province.

The Chairman: Can I interject for a second? The clerk is circulating exhibit 9, which was a letter we received very early on in the process. You may wish to peruse that too.

Mr Pietrzak: I will not speak from this letter but will speak more generally. There are three letters in total. Again, I do not have a formal brief, only because I do not have the time to write a brief. I am too often writing grant applications and managing a very hard-working staff, but I will frame this in terms of my background so that you will know that I am not just speaking for a visual arts organization in a population base of 116,000.

1700

I have worked at five public art galleries since 1970, the Kitchener-Waterloo Art Gallery in Kitchener, Rob McLaughlin Gallery in Oshawa, the University of Guelph in Guelph, the Art Gallery of Hamilton and, for the past eight years, as executive director of the Burlington Cultural Centre.

We have a staff of 14 and a budget now of \$750,000, approximately. Remarkably, 50 per cent of that budget is raised by the community, many times because of incentives provided by different programs.

The mission of the Burlington Cultural Centre is to bring arts to Burlington, to have the values of art penetrate people's lives, to incorporate into people's lives a sensibility which allows them to evolve intellectually and emotionally, and to allow for a more balanced and healthy life.

In doing this, the centre exhibits 30 different shows a year and has 140 arts and crafts programs that are impacting on 1,500 people. There are 200 children's tours from the community school boards, representing 4,500 children. We have arts and crafts fairs. They drew 13,000 at one point in time and 6,000 at another. We have a permanent collection of 350 works. This is the result of a membership of 1,300 people and a recorded number of volunteer hours last year of 21,000.

Also, putting this into a larger perspective than the Burlington Cultural Centre, I speak as a past president of the Ontario Association of Art Galleries, where I had the opportunity to deal with various levels of government before, which I will talk to you about briefly, and where much of my frustration has taken place in terms of trying to express to people the importance of certain very basic principles. Also, I am a member of the Canadian Art Museum Directors' Organization, which is an association of museum directors across the country; the chairman of the Sheridan College advisory committee for the School of Art, Craft and Design; member of the steering committee of small business support of the arts, a study taking place through Theatre Ontario and much, much more. I have also lectured on fund-raising and I am a very active person in the community.

I will address two points specifically about my concerns, not that I have to prove how important art is to the community. You have heard that through a lot of people. But over the past five years I have seen activities and this proposed legislation that have stretched the credibility of government to the point where it is difficult to believe that the current levels of lottery-based funding will not change, not without some sort of guarantee in Bill 119.

I also have seen government never address the real needs of the community. It has undertaken a systematic approach to restricting funding and creating a surplus, which we all know does not exist except on the books.

First, I will speak to some credibility issues which I have concern about. As president of the Ontario Association of Art Galleries, I met with

senior members of the arts branch in 1983-84. These people guaranteed me that, though lottery-based funds were going into the consolidated revenue fund of the government, there was every guarantee that those funds would be used for the purposes set out in the original legislation.

In 1984, I had the opportunity to tour the deputy minister through the Burlington Cultural Centre. He expressed in no uncertain terms his perceived impropriety of the use of lottery-based money, that it was difficult to get access to these funds, and there was an accumulated surplus that was growing. In 1983, I saw the formula funding of the art galleries in this province cancelled. It was at a time when there was stable funding to art galleries based on a 20 per cent formula of the previous year's operating expenses. Year after year, I went back to officials of the government and said, "Why have you cancelled this?" and they indicated: "We have not cancelled this formula funding. We are just limited to inflation at this time." Year after year, I was expected to believe this. After that, it was cancelled. There were no regrets in that and no comment in terms of why.

Frankly, I cannot believe that the government will, in fact, live up to certain expectations that are being alluded to without some sort of guarantee in the legislation. That is credibility.

With regard to responsibility for adequate funding and a systematic approach to restricting funds, which can be seen in the changing of criteria for Wintario grants and the changing of process, I have seen three examples of this.

Portable arts equipment: In 1981 the centre got a grant for \$60,000 plus. This changed significantly year after year---well, not year after year, but in 1986 the grant maximum for computers was \$10,000 and in 1987 the grant maximum was \$5,000 and you cannot apply for three years.

Art in public places, another point of contention; it was art in public places and art acquisitions: The art in public places category has changed. It does not exist any more.

In the early 1980s there did not appear to be a ceiling. When I was working for the Art Gallery of Hamilton, it received a tremendous amount of support. In 1985 there was a \$15,000 limit. At that time you could match all the artworks donated. It was a tremendous incentive for people to donate art. In 1987 you could not match all the artworks, you could only match up to \$7,500 worth of artworks, even if you had \$3,000 donated, and the criteria indicated that you could match up to \$7,500 cash, to a total amount of \$15,000. Most recently, the criteria have once again changed. You can get \$30,000 worth of donated artwork, but you can only match as much as you have cash in the bank to purchase art. It has become more and more difficult to get the same kinds of dollars we were able to get before.

Another example is festival funding. Though the amount has not changed, what has changed is that, first, now you can only get it once, you cannot get it as annual support, and second, you need two groups to apply, not just one, again making things more and more difficult.

I find these changes in criteria, restricting the nature of funding, really difficult to deal with. In fact, I see a deflection of the responsibility on the part of the government. I am concerned: What if such an approach were taken to other sectors of our community life that in fact have to deal with government responsibility and still deal with the real issues of



limited dollars; ie, what if the health industry decided, "Well, now we can't afford to supply health care for all these people, so let's raise the normal level of blood pressure from 120 over 80 to 160 over 90," or, for that matter, to raise the acceptable pollution count?

These things shake my concerns and the concerns I have reflected are ones of credibility and responsibility.

Though the centre has gone on record as standing behind the Alliance for Protection of Culture, Recreation, Sports and Fitness in Ontario and has suggested that a third of the profits be used annually for supplementing these specific needs and that a trust fund be established, I do not anticipate this happening. The trust fund most likely will not be established because the money does not exist. That is water under the bridge and I do not see partisan conflict solving that, but I do see the commitment of a government towards a certain percentage of funding. I am going to be asked, "How much?" I do not know at this point, but I am willing to say a third until we determine a real need.

What is the need? I know that in my case my staff is working 30 per cent more time than they ever get paid for, I see volunteers burning out because of the demands on them, I see my own wage is less than a postman's—not that I want more money; I just want a fair shake—and I see what has been mentioned earlier about a covenant, a commitment, something important.

The government in the past has shown leadership in terms of the arts and has built a tremendous infrastructure within this province where communities have access to culture. I would like to see three principles embodied in the legislation and I would like you, as people formulating the legislation, to consider the principle of partnership, a commitment to partnership, something that past legislation has suggested; the approach to matching funds, the approach to getting the community involved. I would like to see the principle of shifting the initiative to the community level, as it has in the past. The encouragement of matching funds in different areas has caused a tremendous number of people to work—if I can say it again—21,000 recorded volunteer hours last year. There are a tremendous number of people who have not recorded their hours.

Finally, the reason I did not mention a specific percentage is that I would like to see stability in arts funding, in cultural funding, stability in the sense that we know what is going to happen tomorrow and we have some way of planning. As legislators, you know how important planning is. It is no different on the level I am working with, except that it is much closer to the line. We are playing much closer to the chest. We can have a deficit of \$12,000 easily if we have a rain-out in terms of our craft fair. It is a very, very serious matter to us.

1710

I would like you to consider those three principles in some of the thinking that you will be doing with regard to Bill 119.

In closing, I have to say that the cultural centre has received a tremendous amount of lottery-based funding. We could not exist without it; we would not have been built without it. My general estimates are maybe \$900,000 over the past 11 years, and it is only 11 years old. Possibly going into that would be \$1.3 million of community funding and then maybe \$100,000 worth of donations to our collection. It is incredibly important to us, not only

because of what we can do but also because it motivates our volunteers. If we do not have that motivation, then part of our structure, our ability to service the community, will no longer exist. If it constantly depends on ourselves without this partnership, it is slowly going to erode.

Mr Sola: That was a very eloquent presentation, but I think you sort of lost me somewhere because you were stickhandling all over the ice. You mentioned that Bill 119 stretches the credibility of government, then you went back to bad situations that you encountered in 1983-84 and you went further back and said that there was good co-operation between government and the arts, that there was some sort of partnership. Yet you talk about the surplus, that there was some sort of lack of accountability.

If you are dissatisfied with your treatment in 1983 and 1984 and prior, that was under the prior legislation. If you are dissatisfied with Bill 119, that means you do not want the prior legislation touched. Now you have to be on one side of the fence or the other. If everything was hunky-dory before Bill 119 was introduced, we would not have this surplus that does not exist; you would have had adequate funding.

I think what it shows is that it does not matter what the government is or what the legislation says; unless you have the co-operation of government and the intent of government to support arts, recreation and sports, you are not going to get adequate funding. The tighter the financial situation gets, the more difficult it will be, but you have to have a commitment from the government.

Ms Bryden: You made three very important criticisms of the present system and recommended that we needed changes in the criteria for allocation, including matching rules; that we needed a change in the process for applications and allocation because the present process is causing not only burnout, uncertainty and instability but the discouragement of volunteers; and that we needed new rules for festival funding because annual events are very important to a community and the limitations on them are not encouraging those.

What I would like to ask is, do you think that under the present bill those items that you have mentioned, those criticisms, could be rectified without withdrawing the present bill and starting over again to get those changes in criteria, process and festival funding?

Mr Pietrzak: I do not think criteria have to be mentioned anywhere in the bill. I think the criteria should be responsive to the changing environment that we live in. Sometimes it will be employment opportunities for younger people, training for board members or festival funding.

I do think, though, that throughout the tone of this it is important to gather some sense of stability, introducing in the bill some sort of guaranteed percentage. I do not see a percentage as a deterrent. I would take the chance of seeing lottery-based funds go down as long as I knew that there was some sense of stability within the funding of the arts.

Ms Bryden: Do you think we need a new bill to ensure your three principles; that is, commitment to partnership, shifting the delivery to the community with financing from lottery funds and stability in funding?

Mr Pietrzak: No, I do not. I do think, though, that the bill has to be changed to include some sort of guarantee. I think the criteria will come later.

The Chairman: Mrs Cunningham, two minutes.

Mrs Cunningham: I just want to say thank you to both of you. You are tremendously credible in coming before us with the history that you both bring and with your experiences. I think it has been most helpful. I obviously knew the position you were taking, because I took a look at your resolutions. I share your concern and I hope we can get the amendments forward that you have recommended to us, both on the stability—I know you were not thrilled with a third, and you have heard me before, I am not either—and certainly what is going to happen to the funds that are collected right now.

I guess what did come out this afternoon, for myself anyway, were the problems in administering the guidelines, which we will look into, not particularly the concern of this committee but something that has been brought to those of us who are elected from all parties. It seems to me that what we always want to do is give the front-line worker the money that the public had given to us to disburse in some respect and it seems to me that there is a lot of administrative stuff that is happening which is confusing and probably somewhat restrictive for the kinds of things you need to do. I certainly will be looking into that and hope that you will contact me and follow through. I thank you both very much for being here this afternoon.

The Chairman: I would like to add my thanks to the group, including Allan Will. Mrs Cunningham really has highlighted the ideas that I felt very strongly. You keep wondering how people are going to get better and better and be more and more succinct with respect to addressing the problems, and perceived solutions too, because we have been getting a fair bit of that recently. As a committee, we appreciate that, so thank you very much.

Is there any further comment before I adjourn until 10 o'clock tomorrow morning? We have four presentations, as far as we know, beginning at 10 tomorrow morning. In the afternoon, starting at two o'clock, we have clause-by-clause consideration of the bill. I request that you be punctual tomorrow so we finish up and have a good rest over lunch to prepare for the afternoon. We are adjourned therefore until 10 o'clock tomorrow morning.

The committee adjourned at 1718.





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STANDING COMMITTEE ON GENERAL GOVERNMENT

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989

THURSDAY 5 OCTOBER 1989

Morning Sitting

STANDING COMMITTEE ON GENERAL GOVERNMENT

CHAIRMAN: Elliot, R. Walter (Halton North L)

VICE-CHAIRMAN: Faubert, Frank (Scarborough--Ellesmere L)

Bryden, Marion (Beaches--Woodbine NDP)

Callahan, Robert V. (Brampton South L)

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Cureatz, Sam L. (Durham East PC)

Fleet, David (High Park--Swansea L)

McLean, Allan K. (Simcoe East PC)

Ruprecht, Tony (Parkdale L)

Sola, John (Mississauga East L)

Substitutions:

Cunningham, Dianne E. (London North PC) for Mr Cureatz

Farnan, Michael (Cambridge NDP) for Mr Charlton

Lupusella, Tony (Dovercourt L) for Mr Sola

Reycraft, Douglas R. (Middlesex L) for Mr Cordiano

Sterling, Norman W. (Carleton PC) for Mr McLean

Clerk: Carrozza, Franco

Staff:

Anderson, Anne, Research Officer, Legislative Research Service

Witnesses:

From the Ontario Arenas Association:

Horvath, Frederick J., President

From the Society of Directors of Municipal Recreation of Ontario:

Quarry, Barbara, President

Neeb, Mark, Past President

From the Arbor Theatre Company:

McFarland, Charles, Artistic Director

From the Association of Aquatic Personnel of Ontario:

Elliott, Steve, Vice-President

Manuel, Len, Vice-President

MacIntyre, John, Past President



LEGISLATIVE ASSEMBLY OF ONTARIO  
STANDING COMMITTEE ON GENERAL GOVERNMENT

Thursday 5 October 1989

The committee met at 1010 in committee room 2.

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989  
(continued)

Consideration of Bill 119, An Act to amend the Ontario Lottery Corporation Act.

The Chairman: The chair recognizes a quorum. I would like to welcome you to the standing committee on general government. We are doing hearings on Bill 119, an Act to amend the Ontario Lottery Corporation Act.

Our first presentation this morning is on behalf of the Ontario Arenas Association Inc. Frederick J. Horvath, the president, and John Milton, executive director, will be making that presentation. If you would approach and start, we would appreciate it.

ONTARIO ARENAS ASSOCIATION INC

Mr Horvath: Good morning. I am Fred Horvath, the president of Ontario Arenas Association Inc, and with me is John Milton, our executive director. We are in attendance today because of our members' concern about your proposed Bill 119. We have a desire to maintain the optimum quality of recreation programs and facilities throughout the province for you and me.

The Ontario Arenas Association was incorporated in 1958 and is a nonprofit, volunteer-based organization whose purpose is (1) to promote general interests among facility managers and/or other representatives in the successful operation of facilities; (2) to provide a forum for the effective interchange of ideas and educational opportunities; (3) to maintain a high level of communication and rapport with recreational and entertainment agencies, sport governing bodies, the public and, in general, all persons and organizations, and (4) to provide full and complete information to be available at all times with respect to the economical purchase and operation of machinery, equipment and supplies.

The association represents a membership of over 400 municipalities and 150 individual organizations and associate members. Ontario has approximately 723 ice surfaces in the province, with many of them being multifaceted. These facilities range in size and complexity and are not necessarily associated directly with the size of the community. The operation of a facility is no different from that of an enterprise. It has to be planned, promoted, well managed and given continuous thought and hard work.

Years ago, most of Canada's greatest pastime and sport was played in old barn-like arenas with natural ice. Spectators froze, as did the participants, but the support was always strong and genuine. The operator or rink rat or former hockey great waited patiently for the cold weather to activate his flooding program. You did not worry about engineers, architects, provincial codes or even a mild spring thaw.

We all know those days are gone. With the unpredictable and mild

Canadian winters, the outdoor rink that was once dominating every community and every backyard has been replaced with modern-day facilities that are capable of holding up to 12 months of ice and which suit every program need imaginable. Citizens are becoming more involved in recreation with the types of activities that are being offered. The arena has become the main focus of many communities. To support that claim is why you see so much involvement at the community level to raise funds to increase or provide sufficient recreation facilities to the citizens.

Over the years, the government of Ontario has played a major part in developing these facilities. Once an arena or facility is built, the work is far from complete. The individual employed must be ready to meet the public service demands, money-making schemes and try to satisfy the financial balance with all the factors that impede the process. The building and machinery must be maintained and operated.

The Ministry of Tourism and Recreation has contributed to the new stream of facilities in the last decade by the initiatives that it has taken.

In 1978, energy conservation for new and old facilities: This allowed every facility to be designed and retrofitted to make possible dollar savings in every part of the operation. The examples of this are jet ice, low emissivity ceilings, heat pumps, solar blankets, fans, gas radiant heaters and dehumidification.

In 1984, maintenance management systems: Maintenance management is the planning of activities dealing with maintenance operation to minimize emergencies and costly repairs, to make cost-effective capital replacement decisions and to ensure that decisions are well utilized and tax dollars are efficiently spent.

In 1985, Air Alert: This manual provided information to the facility operator to identify specific problems to the attendant and to the public. Safety was definitely a factor. The conversion of ice resurfacers to propane and the proper detection of carbon monoxide in facilities has allowed for a better and cleaner facility.

In 1986, ageing plant/community facilities: As buildings age, more money is required to keep them safe and usable. Facility owners and managers should therefore have a clear understanding of activities that will keep buildings in good condition. Key concerns deal with weather protection, structural integrity, building systems and occupational safety.

In 1987, humidity-caused problems: High humidity is a problem for indoor ice surfaces. How long can it be ignored? Problems have been identified, and facilities must react in conjunction with the program being offered. Properly planned maintenance programs will reduce long-term operational costs and will help extend the life of an arena.

In 1988, safety initiatives: To combat the increased level of tenacity, participants are playing with more aggressiveness due to the equipment and the game. Through ministry initiatives, the following have been instituted: breakaway pins and nets, cushion posts, emergency action plans and staff training.

One of the other projects on which we have worked with the Ministry of Tourism and Recreation, which somehow I forgot to mention in this document, is that two years ago we worked on an ice refrigeration/ice-making manual. We



wanted to make sure that all facility attendants and personnel were trained and knew what to do in a facility, had all the answers to all the questions that happen, be it at a political level or a community organization level, for their own staff training. That document has been well received throughout the province, and I am pleased to state that with the initiatives of the government of Ontario, that document now sits in every province of the Dominion of Canada, and it is now being sent to and taught in parts of Europe. Recently we sent 100 manuals to Norway, as well as Germany, England and Sweden.

There are also other programs that we continue to work on with the ministry to further enhance the life of facilities. Our commitment has always been very strong to develop programs to ensure facility survival. Most people are not aware of a community without an arena. This past year, two were closed, leaving thousands of active participants wondering what they were going to do for recreation.

The hardship of any closure of an arena to a community is severe. These centres are the hub of activity for many events on a year-round basis, physical, cultural, social, festivals and agricultural fairs, to name a few. People have traditionally identified their needs with the centre and it has become a vital part of their lifestyle.

Recreation programs in which people of all ages have been actively engaged, both as participants and spectators, are suddenly wiped out, a very serious blow to their day-to-day needs. If the accumulated profits were used to help these centres, the problems might not be as severe. Over the years many government officials have issued statements dealing with facilities and the ongoing grant programs.

1. "First, there has emerged the potential for a false sense of security concerning recreation facilities. New capital investments are required to conserve them in a safe and usable condition." The Honourable Reuben Baetz, 1984.

2. "Recreation is a priority in the lives of Ontarians." The Honourable Reuben Baetz, 13 October 1983.

3. "Capital conservation grants give existing facilities a new life." The Honourable Hugh O'Neill, 16 January 1989.

4. "Capital conservation program has strengthened Ontario's recreation infrastructure since 1985. Improving existing facilities in addition to building new ones is bound to attract more Ontarians than ever to sports and leisure activities." The Honourable Hugh O'Neill, 16 January 1989.

5. "The program provides incentives for communities and organizations to build new facilities which will create more recreational opportunities." The Honourable Hugh O'Neill, 16 January 1989.

Implications of Bill 119: From discussions that we have had travelling across the province—and believe me, we do travel the province; we have many provincial meetings, as well as zone meetings—the impact of the proposed Bill 119 will promote the following: more closure of arenas and facilities; increased taxes, alienating potential low-income users; displacement of people actively using facilities; unemployment of youth; unsafe facilities; hampered lifestyle, no identifiable community core; disintegration of the partnership between volunteers and professionals, and jeopardization of staff training throughout the province. To date, over 6,000 persons have been professionally



developed through our training programs.

Recreation puts life into everyday living. Recreation is part of our daily life. Whether you are an active participant or a spectator, you are able to keep alive the spirit of adventure and the balance between work and leisure. Just to relate something personal that happened to me this week, I believe strongly in that statement. I had a disagreement with my boss. In 20 years of playing hockey, I never had a slapshot, and I went out on the ice surface, let a shot go and I broke the glass. I was quite surprised at it. But I went to work the next day and we are best friends. I also got my extra \$4,000 to add to improve our facilities.

Participants in our facilities are young and old, rich and poor, handicapped, multicultural and from various neighbourhoods. They enjoy the philosophy that recreation treats everyone equally.

There are more people urging increased and expanded facilities. Many communities are growing faster than they can handle. Shorter working hours, more time at home and the need for facilities to accommodate programs that will promote health and wellness will be concerns if funding levels from the government are not progressive with the times.

It was a long time ago when facilities could request funding under the Community Recreation Centres Act. This program has been nonexistent for many years, and with the establishment of ceiling grants, facilities have recognized significant cutbacks. A majority of the arena facilities in Ontario were built in the late 1940s or 1950s, and proper maintenance will become more of a burden.

Everybody has a stake in good recreation. Facilities are not for one and not for the other; they are for you and me. Recreate today and you will feel better tomorrow. People do not stop playing because they grow old; they grow old because they stop playing.

Mr Reycraft: George Bernard Shaw.

Mr Horvath: Yes, sir.

Mr Callahan: It is true, let me tell you. I am living proof.

Mr Horvath: The future of facilities—it is yours to decide.

This is quoted from a resolution passed by the Stanford township council in 1944, "It is generally felt and recognized that recreational and physical cultural facilities should be available to all communities in the postwar period to assist in curbing juvenile delinquency, recreating and rehabilitating returned servicemen, also developing physical fitness in the youth of our township and, if unemployment difficulties arise, provide recreation programs for those with leisure hours."

The Ontario Arenas Association can testify that facilities are a key ingredient to citizen lifestyle. Young and old continue to visit the facilities, whether it is for hockey, curling, swimming, basketball, fitness, community group meetings, etc. Together we work for a strong community with pride and conviction.

We hope that the government of Ontario will take note of the concerns that have been raised at this committee and not only support but strongly

endorse, campaign for and promote the message of Ontarians everywhere.

Although we do not want to see any reduction in the allocations of lottery funds to sports, recreation and cultural facilities, we would support a firm commitment from the government for the future allocation of ongoing annual profits of all lotteries, and furthermore, that the accumulated profits of the dedicated Ontario lotteries be treated as a trust fund and thereon allocated annually for the support of recreation, sports, culture and fitness.

The Chairman: Thank you very much for an excellent brief. Mr. Reycraft would like to comment or question.

Mr. Reycraft: Thank you for the presentation. I commented on the near quote from George Bernard Shaw because it is one that is familiar to me. It is, I believe, the unofficial slogan of the Canadian Oldtimers' Hockey Association. As one who still does use arenas all 12 months of the year, I appreciated seeing the comment in your brief.

Just above that quote, you stated that most of the facilities were built in the late 1940s and 1950s, and I was a little surprised to see that. Have you got any numbers on that to indicate what percentage of arenas were built in that period of time, as opposed to the 1970s, I guess, when I think we really saw the construction boom in arenas in this province?

Mr. Horvath: I was quite surprised when I received that information the other day. Actually, there were several groups in Ontario that had undertaken a survey of all facilities in the province. For years, it has been up in the air as to how many ice facilities there really were. Some people said there were 800, some said 1,100. The first drafting of the document that came back from that study said there were 723 ice facilities and the majority of those facilities were built in the 1940s and 1950s. I was as surprised as you were. We are waiting for the final numbers on that, which we hope to receive in the next two weeks.

Mr. Reycraft: Okay, thank you.

Mr. Horvath: I could provide that information once I have it, because I am surprised that they are still around, most of those facilities. I have been to almost every one of those facilities in my capacity with the Ontario Arenas Association. A lot of arenas, I would have felt, were built between 1967 and 1975, which seemed to be that crush between Centennial Year projects and projects dealing with structural safety and the roofs not conforming to the Ministry of Labour.

Mr. Reycraft: I think there was a flurry of construction that resulted from the Listowel disaster.

Mr. Horvath: Listowel's air, as I recall in that area.

Mr. Reycraft: Do the 723 ice surfaces include both privately owned and publicly owned arenas?

Mr. Horvath: Yes.

Mr. Reycraft: And does the membership of the association cover both groups?

Mr. Horvath: It does. Now, we are not saying that we represent every

one of those arenas. We are trying to find out right now which arenas we do not cover. We represent 400 municipalities, and that can translate very easily into about 700 facilities.

Mr. Reycraft: I suspect I know the answer then to my next question, which is, how many of those 723 are privately owned? Do you have that information?

Mr. Horvath: I would only be guessing. I could not provide you with an accurate number.

Mr. Reycraft: It is not a large number, though, is it?

Mr. Horvath: It is very, very small, and basically they are in this area. It would not be in northern or southeastern Ontario. Basically, it would be in the Metropolitan Toronto area, I would assume.

Mr. Reycraft: The London Gardens arena comes to mind as one in my backyard.

Mr. Horvath: Back and forth, though, they have been deciding what they want to do with that in terms of the ownership too, so that has been a real question over the years. I guess with questionable or unstable ownership, if that is fair to say, they did not know whether it was going to go municipal, or what they wanted to do. I think that is the same individual who is associated with rinks in Hamilton and Toronto as well.

Mr. Reycraft: With respect to your impact of proposed Bill 119 as described on page 6, is it not true that the impact of Bill 119 will depend on the amount of lottery funding that the government allocates to recreation from year to year, as opposed to the bill itself?

Mr. Horvath: That is certainly true; it is whatever the allocations will be. But as I mentioned in the brief in regard to the Community Recreation Centres Act, we have seen that that seemed to be a real saviour for arena people in past years because they could tap into that to receive that type of guaranteed funding. It was on for many years. With the allocations from a lottery fund, it seems that there are several unknowns that we go into every year.

We never know what the program will be, the time lines, the allocations or the priorities, so it might hurt a particular arena's operation if a program came out at a certain part of the year and the timing did not meet with the municipal budget. That project could be deferred for maybe two years, as opposed to, you know, getting the word today. I know some municipalities in the province had to defer the commencement of their projects for two years. Those are concerns that we have expressed over the years. I know those concerns have been addressed by the ministry and we are getting a lot better at that process.

Mr. Reycraft: What percentage of grant was available under the Community Recreation Centres Act?

Mr. Horvath: It was 25 per cent, up to a maximum of \$75,000.

Mr. Reycraft: And is it not true that, by and large, the funding that used to flow through that act now flows to municipalities through the Wintario capital program?



Mr Horvath: I have heard that.

Mr Reycraft: Is that not where municipalities get their grants for new arenas now?

Mr Horvath: First of all, I think the lottery programs always have been there. The CRCA grant was a tax-based funding, so in a sense, when a municipality or facility applied for a grant, it would receive two types of grants, one tax-based and one from the lotteries. Over the years, it seemed that the Wintario dollars were not as plentiful. There were two years, I think, or 18 months where there were no programs. A delay in the announcement, I believe, would be back in 1984-85, so we did not see anything coming out, and that was a problem. Now the philosophy is that the CRCA grant has been incorporated into that.

In terms of statistics, I am not sure whether or not we are still meeting all the concerns. I guess before, with the CRCA grant, it was kind of a given. You applied for it and you got it, which was a nice feeling to have. Rightly or wrongly, from a financial accountability sector and how much money was available in the kitty, it was there for people. It was a good planning device and most municipalities in the cities tapped into that. Now it is a throwing up into the air. Whichever way it falls down and gets approved is the way, so there is that uncertainty. It has to change, there is no question of that, but we are still trying to solve some of the problems that we have had. We have had it good in the past, there is no question of that.

1030

Mr Reycraft: Okay. But communities that do want to build new arenas now have, I think, really only the option of either Wintario capital or the community facilities improvement program that is run by—

Mr Horvath: If it is new facility, I understand it would be the new facility grant.

Mr Reycraft: The funding that is available under those programs is generally what—33 per cent?

Mr Horvath: Yes.

Mr Reycraft: Going back to my question about the impact of Bill 119, even if the act were left as it now is, do you not agree that the proposed impacts that you have described could result if the government did not at least maintain its overall funding for culture and, in your case particularly, recreation? Is it Bill 119 that really matters or is it the amount of financial commitment that the province actually makes to culture and recreation?

Mr Horvath: I think there are several ways I can answer that. As a recreationist sitting here now and knowing all the details that are in front of me, one is that since the start of Wintario there has been an accumulated fund of over \$350 million that has never been allocated to recreational or cultural facilities. If that is not accurate, I have never been privy to that information. That is a concern I have. What has happened with that in the past? What has been the government's intention? What has been the government's understanding of that? It is totally new to the profession. That is a concern we have had. If they spell it out now and say that Bill 119 is going to involve other areas, then fine. That is a government decision. We are

providing input to that on its possible impact.

The thing that bothers me personally is the fact that I see in the paper every year, several times throughout the calendar year, two things. One is that lottery profits are up this quarter by so many millions of dollars. If it is up, have we increased that allocation to recreation and cultural facilities and programming?

The second thing I have a problem with—and it is my ignorance of the political system—is the fact that for several services that are offered in the province there are commitments of dollars. Those commitments are not year to year. There is a commitment made by the government—roads or fire or whatever the case may be—that for the next three years it will make a commitment of \$300 million to that. In our field, I do not recall ever receiving that. But the government would take that position and say: "Okay, fine. In years past this is what has happened: there has been an allocation of this amount of money. We are prepared to make an allocation for the next five years of so many millions of dollars to that field". Then there is the process of how we interact with that. That is the one concern I have as a recreation practitioner.

The second concern I have with regard to your question in terms of Bill 119, if it does not change or anything like that, is that I believe now that, through the Parks and Recreation Federation of Ontario and the Ministry of Tourism and Recreation and their staff, and also the ministers who have been sitting in that position, we have developed a strong relationship with them to go over the concerns that we have out in the field. It is the same thing as if you build an arena or a facility: you cannot sit in an office like this and make all the decisions for that building. I can show you two of them in my municipality that were designed that way. The people who are actually directly responsible for the activities should be giving comments because they are there day to day. They know what the problems are. They may be small security or safety problems, but they grow and magnify.

The ministry has allowed us that open door to talk to them. We have done a lot of things. It is a start for us in terms of the timing of grants. Instead of having all types of grants available, they are looking at streamlining that process so that there are a select few, but you apply for them. They are giving us more information in terms of the process. We have started to work on that relationship. There are some pluses to it.

I feel comfortable that if Bill 119 stayed the same way it is and is not amended, or the old way, we would still have the input and feel important to the process. We would be bringing our case to the minister and to the staff saying, "Okay, here's the way we can clear up some of the problems." We cannot solve all the problems. We are foolish if we think we can, and there is not enough money to build every facility and to pay every service that the government wants to provide. I am the first one to realize that.

My parents were both suffering, in grave health, and my father died several years ago because they could not accommodate him in a hospital. I agree we need some systems. Number one is that we have a first-class health system, and believe me, gentlemen and ladies, we do have a first-class recreation service in this province. That is because of the people you put in place. You have got to take credit for that. We do our part because we get the stimulation, direction and development from people who work for the various ministries. The road is not as long as we think it is, but there are always concerns I have in terms of why we do not get the benefits of other grants.



Sure, the old saying is that we are a soft service. Are we a soft service? I do not know. We cannot railroad you by taking all the facilities and recreation and go on strike. We are not like that. We do not have that lobby strength. We know there are groups that do it and are effective in doing it, to some degree; at least in their minds they are effective. They may not get what they think they are going to get in the end. We work for a community, and every community, as you know, operates very, very differently. We would not pull off having every facility show up on your doorstep saying: "We are important. Recognize us." We know you recognize us as being very important, because I guarantee you that you have been in that facility for a banquet and you probably have had nomination conventions or victory celebrations there, so you know how important an arena is and what people we bring into it.

The Chairman: We should be recognizing Mr Farnan, timewise.

Mr Reycraft: Okay. Just let me say that as one who has been in a lot of the arenas of this province for a good number of years, I believe that they are much better in terms of the quality of service they offer to the users and they are much safer as well. I know that your association deserves a great deal of credit for that.

Mr Farnan: I found the dialogue and interaction with the parliamentary assistant very interesting but a little bit difficult to get a fix on. On one hand, you were saying, "We have all these arenas that were built in the 1940s and 1950s"—

Mr Horvath: The majority of them.

Mr Farnan: —and then you are saying, "We have a first-class system." I find there is a bit of a dichotomy in that. I agree that the people working in the system are doing a first-class job with the resources available to them, but I have problems with your describing the system as a first-class system when the arenas were built in the 1940s and 1950s—

Mr Faubert: What is wrong with that?

Mr Farnan: The roofs are falling in.

Mr Faubert: They are not.

Interjections.

The Chairman: I believe Mr Farnan has the floor, gentlemen.

Mr Horvath: The only thing I can relate to is the fact that I have seen the 1940 buildings. Being the age they are and having faced the crises they have—and they have faced many. There were changes in the building code and the fire code. They had to provide more exits. There was continuous deterioration of the existing building structures in terms of bleachers, the board systems and all that; they all had to be replaced. The roofs had to be upgraded. If it were nuts and bolts that had to be put in place, they did that.

When you travel through some of the other arenas throughout the country, as well as in the United States, believe me, especially in the United States, when you see some of the facilities there you realize we do have a first-class system in place. But because they have had to be modified, and with the dollars, many of them were closed. We are still looking for how many, so that we can provide those numbers to you.



One of the problems we have had---

Mr Farnan: Let me just say, as a New Democrat, I have never believed in equating our social services or our recreational services with the States. I think it is a pretty poor comparison. If you want to equate it with Sweden or another jurisdiction, that is fine.

Mr Horvath: If I could get a government grant, I would go to those countries and check them out.

Mr Farnan: I want to ask you a couple more questions. I find the use of the arenas is extraordinary in terms of the times that they are open to the community. When people are going to bed, people are going to the arena. When the alarm clock is going off for most of us, people are in the arena. It is an extraordinary use of a facility. Have you got any ideas of numbers, or percentage time, or that sort of stuff?

1040

Mr Horvath: Unfortunately we do not. I know that in the facilities that I have operated in the past, for my own justification at a municipal level, I try to tell people how many people do go through our doors. It was a bad time to take it, but in one of our buildings, which was only an ice surface in a slow period of time where the programs were coming down type of thing as opposed to peak, 9,500 people went through that door from Sunday to Sunday. There were no major attractions going on and that is in a small community. Those hours were only from 8 am to 11 o'clock at night.

In the facilities I am operating now we are just trying to get a handle on it, because we are running from 6 am to 3 am, as you stated. We are getting people from General Motors who are on shift work who have the ice hour at six o'clock, they have it at 10 o'clock, they have it at one o'clock, they have it at three o'clock--no, 3:30 pm, I think the shift ends at three o'clock. We are having tremendous use.

Schools are using our facilities all the time. People are trying to get ice time and you still cannot accommodate them all and you are running 24 hours around the clock.

Mr Farnan: I think that speaks for itself in terms of its contribution to preventive health care and in recognizing the contribution of volunteers. People who are volunteering to coach, to referee or whatever, I think deserve the best possible facilities.

The irony for me is that literally thousands of legitimate applications for funds have been rejected over the past several years. The reason that has been given is insufficient funds available. I think the anger or the feeling that exists among people I have talked to in my riding in Cambridge in culture and recreation is they can understand their grants being turned down, in a sense, if there is a priority rating, but if they meet all the criteria of the grant, and there are unallocated lottery surplus funds, then they feel cheated.

The reality of the matter is that there has been in all of the lotteries \$1.3 billion of unallocated funds and in the designated lotteries \$400 million. The government, I think, is accountable to culture and recreation. The promise was made, a covenant was made back in 1974. I do not care whether it was the Conservatives or the Liberals who took the money, that is immaterial at this stage, and we will never see that money again because it

has already been spent. But I think what we are asking the government right now is, "Let's have a new covenant."

I have tabled motions with the committee that a minimum of one third of all six lottery funds' profits would go to culture and recreation. The second motion is that the \$400 million from the designated lotteries, the unallocated funds, be put into a trust fund. Now this has the support of the alliance and, I would say, of the vast majority of the over 100 groups that have appeared before us. Where would you stand on those two motions?

Mr Horvath: We would agree strongly. Can I just add to the example you used? Criteria for programs and requirements for programs are very fair. That is set out with the advice of the field, as well as the staff and the politicians, no problem with that. But you alluded to the example where a smaller community goes through the whole process to meet those criteria.

Days ago it was not that much. I will be honest with you. You had to get a council resolution to show that you can support the facility and go into those things. Some buildings were built without that documentation, but that was the way the law of the land was in those days. Now we have more procedures to go through, all perfect, believe me. Because now you want each municipality, or each facility, to go through a feasibility study or a needs assessment study. So most municipalities, small municipalities, and we represent a good portion of them, will go through that study.

That study involves citizens, it involves the politicians, it involves staffing. They go through several options: build a new arena, twin the existing arena, the operating costs are such, and all this. They determine the exact facility they are going to build, the funding that is going to be required from the municipal funds, if the municipality can support that through the Ontario Municipal Board and all those chains of events.

1910

It is very disappointing, very disappointing, when they have met all those criteria, they have gone through that whole process, even though they are told that, "You may be eligible for funding." These are volunteers who put in a lot of time, and it gets very hectic. Your days sometimes are hassled by your constituents. These volunteers are getting hassled, who have given free time to decide on facilities and the input. And then they get a no. It is hard to explain.

Mr Farnan: You are aware of groups that have applied and have been rejected?

Mr Horvath: I know of a few. I know that we could get that information, yes.

Mr Sterling: Because there are other groups behind you as well that are waiting, I would just like to thank you on behalf of our party. We totally support your position that you have placed here, and we realize, particularly coming from eastern Ontario, the very important part that arenas play in the whole community life of eastern Ontario, and I support your organization very strongly.

The Chairman: Thank you very much, Fred and John, for your presentation. I am sorry that we do not have more time.



Mr Horvath: Well, thank you very much for having us in today. I believe this is your final day, and you have had many, many organizations, individuals and municipalities in to see you. I know that you know what the message is from them going back to you. Sometimes the mission is not the greatest because you have got to take it back to full caucus and to the House. We hope that not only will you make your recommendations, but do please campaign, promote the message of ours. Go back to your constituents, and I am sure they will document it for us.

The Chairman: Thank you very much. Our second presentation this morning is on behalf of the Society of Directors of Municipal Recreation of Ontario. Barbara Quarry, the president, and Mark Neeb, the past president, will be making that presentation.

#### SOCIETY OF DIRECTORS OF MUNICIPAL RECREATION OF ONTARIO

Ms Quarry: Good morning, ladies and gentlemen. As the chairman mentioned, my name is Barbara Quarry and I am the president of the Society of Directors of Municipal Recreation of Ontario. With me this morning is Mark Neeb, who is a past president of SDMRO, and he has been very involved in presentations for Bill 119, from both our perspective and the Parks and Recreation Federation of Ontario's perspective. Mark is here to assist with the presentation this morning. I am going to take you through our presentation quickly and then open the floor for questions. Both Mark and I will be able to handle questions from you.

Recreation, as defined by the Ontario provincial government, is "all those things a person or group chooses to do in order to make leisure time more interesting, more enjoyable and more satisfying". Recreation is—as you have heard from the other 99 presentations, I am sure—a fundamental human need. The level to which it is available definitely contributes significantly to the quality of life across this province.

The recreation policy statement developed in 1987 by the Ministry of Tourism and Recreation, and approved by cabinet, stated that, "Recreation programs and services must provide opportunities in which all people can find expression and development, thus creating the conditions in which people can live their lives to the fullest."

In that same document, the provincial government recognized and confirmed its obligation to "provide financial assistance through a variety of programs to municipal recreation and other organizations for the development of recreation services." This statement directed municipal government to work as "partners" with the provincial government, while at the same time challenging us to intensify our efforts to stimulate joint planning, information exchange, program evaluation and the co-ordinated development of resources among all groups and agencies providing recreational services to our communities.

From looking at municipalities across the province, both large and small, I think they have responded to that challenge in the past two years. They have attempted to work in partnership with the provincial government. More joint building projects are taking place than ever before. Community-based groups are joining together in order to review services in an attempt to determine who is better able to provide necessary services in the most cost-efficient and community-effective manner.

In our particular community there are 26 organizations offering day



camps. We are now taking a look at who offers day camps in the best manner and those of us who cannot provide the service as economically as others will back out of that business. So that is happening.

However, municipalities and recreationists are beginning to question the partnership, based on the following examples: the flat-lining of lottery grants over the past years in spite of increasing inflationary pressures; the prorating of regulation 517 grants; the lack of funding for the Community Recreation Centres Act program; the potential negative impact of proposed Bill 20; and the proposed Bill 119 being discussed by this committee. These examples do absolutely nothing to increase the confidence of your constituents concerning the commitment of the provincial government to provide adequate funding and financial assistance in the area of recreation and culture.

The Society of Directors of Municipal Recreation of Ontario is a provincial organization representing some 500 municipal recreation employees across the province. Our membership has watched with a great deal of concern the developments just described. We have worked diligently with the Parks and Recreation Federation of Ontario in opposition to Bill 119. Therefore, our membership of recreation professionals unanimously supports the position taken by PRFO and the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario.

The SDMRO agrees with the Parks and Recreation Federation of Ontario and its proposal that one third of the ongoing annual profits of all six lotteries be allocated for support of culture, recreation, sports and fitness. This is consistent with the intention of the current Ontario Lottery Corporation Act and in keeping with the existing and anticipated needs of the recreation and culture sectors. As well, they propose that the accumulated profits of the dedicated Ontario lotteries, the \$369 million, be treated as a trust fund. The interest from the trust fund would be allocated annually for the support of culture, recreation, sports and fitness. The interest on the trust fund would be split equally between the culture and recreation organizations and could be allocated for specific priority projects.

Recreationists across the province are very aware of and concerned, as you are, with environmental issues, the plight of our universities, increasing immigration, the growing number of senior citizens placing a great demand on our facilities, the increased abuse of drugs and alcohol for all age groups, the demand for affordable housing and the escalating cost of health care.

All of our communities have been affected by hospital backlogs, bed closures and long waits in the emergency room. Just ask any hockey coach who has had to take a child to the emergency section of the hospital.

However, it is our contention that with health care givers and recreation professionals working together, some of the stress on the health care system can be alleviated. Recreation opportunities in the community in each municipality are a major contributor to the front-end component of the health care system. Hospitals get people when they are sick. Recreation opportunities assist people to stay well by providing activities and programs designed to reduce stress, to increase social interaction and to improve overall mental and physical health.

There is no question in our minds concerning the importance of health for the Ontario resident. However, we believe that concentrating on this element alone is shortsighted and will continue to spend more money in the distant future. If the province, in conjunction and co-operation with

municipalities and recreational and cultural organizations, were to take a leadership role by recognizing recreation as an essential service and a vital link in the total health care system, then the front-end attack on the current hospital crisis could be enhanced.

A recent study conducted by Dr Roy Sheppard of the University of Toronto indicated that participation in regular recreation and health activities, as part of a comprehensive lifestyle program, could in the long run decrease medical costs. This study quantifies the savings to the provincial health care system at \$210 per worker per year, based on a 20 per cent participation rate in employment fitness programs. If employee fitness programs were encouraged in the private sector and in the public sector and were combined with improved community-based programs aimed at other users of the health care system, improved savings would be quickly realized.

Another study, which was completed in 1976, indicated that if all Ontario adults attained an average cardiovascular fitness level, OHIP costs would be reduced by 5.5 per cent. If valid today—and we contend that most people in Ontario do not reach that average cardiovascular fitness level—this would have an impact greater than \$198 million on the present Ministry of Health budget.

These studies indicate a very strong link between recreation, fitness participation and potential savings in the health care costs.

One of the greatest challenges facing municipal and provincial politicians in the next decade will be the growth of the seniors population. Between 1984 and the year 2011, the population of this province in the age brackets of 48 to 84 will increase 84 per cent. I would think that probably the majority of people around these tables will be in that age bracket at that time.

These mature adults will be politically astute, very demanding, with high expectations for both our medical and recreational facilities. Recreation plays a major role in the overall quality of life for older adults. With additional resources and health and recreation professionals working together, recreation can play a primary role in keeping seniors active, healthy and away from government-subsidized institutions.

In Kitchener, the municipality that I am employed by, social service agencies and recreation departments are now delivering recreational programs to the elderly still living in their own homes in an attempt to keep them in their own homes for a longer period of time.

As we are all aware, there is increasing incidence of stress-related and lifestyle illnesses. The Stress Doctor is a daily feature on CFRB. Stress-related books can be found prominently displayed in any bookstore. Recreation activities can, and do, play a part in the alleviation of these problems.

Witness the recreation director who changed the name of his fitness program from "Evening Fitness" to "Executive Stress Release" and was so overwhelmed with the response that he was forced to establish additional programs. Not only did he receive calls from executives in his community wanting to be part of this program, he began receiving calls from housewives who spent the entire day with their children, indicating that they were definitely under a lot of stress and wanted to be part of "Executive Stress Release." He told them that he would call them back and let them know if he



could establish a program. His fitness centre is now overwhelmed with both women in the home taking programs and executives involved in the "Executive Stress Release."

As indicated in the parks and recreation federation's brief, "many professionals believe that leisure is the single most important force in developing cohesive, healthy family relationships." Family recreation opportunities strengthen relationship, help manage family stresses and develop and maintain a positive and productive family atmosphere, which is difficult to do in the single-parent-family society that we are now facing.

Without recreation and leisure opportunities available in a community, it is likely that family violence, vandalism, drug abuse and ultimately health care costs will continue to rise. The courts and social services recognize the value of youth involvement in recreation as a deterrent to juvenile delinquency. As a result of recreational activities, a positive outlet exists to focus frustration and energy.

Recreation also provides an effective way to: begin the integration process of the many immigrants who are now swelling the ranks in our cities; continue the integration process begun by the province of both mentally and physically challenged into our communities; develop the leadership skills of more than 370,000 volunteers providing services in our communities across the province; and attract businesses to communities with the necessary parks and recreation facilities in conjunction with adequate health care facilities.

#### 1100

At the recent Canadian Parks/Recreation Association conference which was held in Hamilton in August, John Denver, who was recently here in Toronto with the Our World Conference, indicated that unless the citizens of the world begin making a wholehearted effort to clean up the planet, within 20 years the battle, and virtually the planet, will be lost.

"Parks and recreation professionals," he concluded, "are the front-line staff in educating our program participants, those enjoying our parks, as well as government officials"—and our politicians—"to the need to conserve and preserve the environment."

Ontario must become a leader in the environmental preservation movement. Time and money now spent on the preservation and development of greenspace will pay long-term dividends to the people of this province. Thus, improved funding for the parks sector will benefit the environment in the long run. The purchase of wilderness areas, the development of educational programs at all levels and the increased awareness of environmental issues will decrease government costs in the long term while preserving our province for future generations.

As indicated by Dr Earl Berger in Recreation: A Changing Society's Economic Giant, recreation provides an estimated \$7.3-billion, in 1984 dollars, impact to the provincial economy. The impact can be felt in travel and tourism, the construction industry and the manufacturing industry as well as hospitality and food services. Recreation as an industry is one of the largest employers in the province and definitely the largest employer of youth.

The construction industry receives direct benefit from recreational development. Every community is able to provide examples of facilities which as a result of their construction have contributed to the local economy.



Profits from the dedicated gains of the Ontario Lottery Corp have become the catalyst for these capital projects. Grants to develop these facilities and programs stimulate local support, leverage additional community involvement and have a multiplier effect within the community.

As well, I believe that the province receives a direct benefit from the continued construction of recreation facilities through the recovery of the 8 per cent sales tax on materials and the income tax paid by the individuals who design, construct and staff those facilities. The return on the initial provincial investment is very substantial.

Recreation professionals, as you have heard in the last month and a half, have a number of concerns regarding Bill 119.

Bill 119 does not support the 1987 community recreation policy statement enforced by cabinet wherein the provincial government recognized and confirmed its obligation to provide financial assistance through a variety of programs to municipal governments and other organizations for the development of recreation services.

There is no minimum funding guarantee under the proposed revisions to section 9. Recreation will be forced to compete with hospitals for the same source funding.

The unallocated profits from the Ontario Lottery Corp dedicated to sports, recreation, fitness and cultural activity, estimated at \$369 million, are not in a trust fund protected for the recreation sector, and as we heard from Mr Farnan, that money apparently is gone. The government proposes to designate that this money has already been spent on the operation of hospitals. Again, this is not in keeping with the intent of the original legislation passed in 1975.

The impact of additional lottery dollars on the \$13.9-billion budget of the Ministry of Health will be minimal, while the loss of lottery dollars to the recreation sector will be devastating.

Due to the increasing pressure of the health care system, the need to increase funding will decrease the spending on other provincial programs. With the enactment of Bill 119, recreation would compete for like dollars. Therefore, it is reasonable to assume that recreation dollars will be put at risk.

Recreation professionals, our municipalities and organizations are not disputing the importance of hospital care for Ontario residents. We are not asking the provincial government to fund recreation at the expense of hospitals. What recreation professionals are asking is that the provincial government recognize the essential service that recreation provides to the residents of this province and make a long-term commitment to recreation. We are asking you to recognize that by continuing and improving recreational opportunities across the province, we are contributing to the front-end attack on the current health care crisis. Recreation is a vital element in the health care sector and we, as professionals, are prepared to assist and co-operate with health care professionals to improve the quality of care available to our communities. Therefore, the Society of Directors of Municipal Recreation of Ontario definitely supports the proposal put before you by more than 100 organizations that have visited this table in the last month:

1. That one third of the ongoing annual profits of all six lotteries be

allocated for the support of culture, recreation, sports and fitness; and that these ongoing profits continue to be used for capital projects and other nonrecurring purposes.

2. That the accumulated profits of the dedicated Ontario lotteries, \$369 million, be treated as a trust fund and the interest thereon be allocated annually for the support of culture, recreation, sports and fitness; and that the interest on the trust fund be split equally between the culture and recreation sectors and be allocated for specific priority projects.

Mr. Neeb: Ladies and gentlemen, just to supplement that presentation to you, there are a few points that we would like to take the opportunity to emphasize again for your consideration. You have heard this a number of times during the past few weeks. There are different approaches and different ways, but it is basically all the same message; but there are some we feel are absolutely critical that you are made aware of again.

Why are people upset about Bill 119? The fact of the matter is that the position that has been brought forward by the government is that the existing Ontario Lottery Corporation Act is ambiguous and that all you are trying to do is correct history.

Yes, the existing act is in fact ambiguous. We have been told a number of times that according to the existing act, if \$1 were spent on recreation, the spirit of the act would in fact be honoured because of the wording that exists today.

We would respectfully suggest to you that the new amendments that are proposed in Bill 119 are at least as ambiguous as the existing act today. To be specific: First, there is no minimum guarantee for recreation, and that is a concern; and second, a point that I know has been made but we would like to emphasize strongly, there is not even a guarantee that the health care budget will increase. We have talked about \$13.9 billion as being the existing health care budget. If you were to take every single dollar out of recreation and put it in health care, there is no guarantee in the act that perhaps \$164 million would be added to the existing budget of health care. There is not even a guarantee that in fact will take place.

The second point we wanted to make clear was to re-emphasize the fact that recreation is not trying to hog all these dollars in lotteries. As you know, in 1987-88 \$470 million was collected through lotteries in Ontario, but three of those lotteries, out of the six that are in existence, are already interprovincial lotteries and collected 65 per cent of all revenues. That 65 per cent is already being used by the government for priorities, including health care. Therefore, 35 per cent, or \$164 million, is dedicated through the Ontario Lottery Corporation Act and we all know that not even that \$164 million is being allocated at this point. In 1987-88, \$95.1 million was allocated, \$44.8 million to the Ministry of Tourism and Recreation for recreation purposes and \$50.3 million to culture and citizenship at that time.

It is interesting. I am from the city of Mississauga. We made 12 applications this year. We received 12 letters in the mail yesterday, as a matter of fact, and the wording was very specific, "Your applications are complete." In other words, they have met all of the requirements that have been identified as part of the guidelines and the grants. But then it goes on to say very clearly that the competition for the funding is obviously very intense and that there is obviously no guarantee for the funding, even though the notional surplus is in place.



Finally, the third point we would like to make is that this whole front-end health care component aspect—you have heard this often, over and over again, but I think it is important that you know that we know that the health care budget is over \$13 billion, \$13.5 billion, \$13.9 billion, around that area at this point. If you make the assumption that there are 9.4 million Ontario residents, it works out to a per capita amount of \$143.60. The lottery disbursement, if you wish, is \$10.11 for every resident in Ontario. Now I know I have made some assumptions about residency, but it is close.

1110

We think that \$10.11 is one hell of a great investment in the province of Ontario. You heard the Ontario Arenas Association before, you heard a number of other groups throughout the past few weeks come before you and tell you the leverage aspect of what these dollars do. When the province puts dollars into a capital construction and renovation the amount of money that is levered is unbelievable, not only in the front end in terms of construction, not only in the front end in terms of, in our case, for the Society of Directors of Municipal Directors of Ontario, municipalities contributing to the construction or renovation, but the tremendous good that is created by having communities come together and put their heart and soul into the renovation or construction of a recreation facility and do necessary fund-raising to make that dream a reality.

And then the back end, in terms of the economic benefits—there was a social impact study done in 1980 that said for every dollar that is spent on recreation in a community, nine come back. Examples that were used were hockey tournaments. There is \$9 spent by every person in a hockey tournament for every dollar that is spent on recreation, for example, and the spinoffs in terms of what happens in a community are absolutely massive.

But then again, we come back to the final point, and that is this front-end health care component which has been strongly spoken to by the government at this point, in terms of one of its top priorities, and that was made very clear in the throne speech. There is no question that recreation has a big part to play. We are not going to stand here and say we are the only front-end component of health care. That is a lie. But what we are going to tell you is that we are a pretty darned important part of that front-end component. What we are saying to you is that \$10.11 is not a very big investment. It is an important investment, and it is the best investment that this province can make.

So Bill 119 is not only about minimum guarantees. It is about a tremendous investment into the future growth, the future health of Ontario residents. Quite frankly, we think it should be more than \$10.11. We have said that to you continually. It would be nice if it could be \$15, \$20 per resident. But for goodness sake, please do not cut it back. Please do not pit recreation versus hospitals.

Now I know it can be said that is not what the bill was supposed to do, but if you talk to hundreds, thousands of Ontario residents, that is what they honestly believe. I mean, there are all kinds of articles written in newspapers throughout the province of Ontario saying, "Aren't these recreation people nasty?" I am using a clean word. There have been other words used. "Aren't they nasty people? They want all this money. They're hogging all the lottery dollars. What nerve these people have."

Well, we are simply suggesting that no, we are not hogging it. We have a



35 per cent cut that is dedicated and we think it is a great investment for the province of Ontario and we would strongly urge that, when you consider amendments, when you consider this bill, you think about all of the things that have been said to you, day in, day out, in the past few weeks, but remember the tremendous benefit that the residents of Ontario whom you serve are getting as a result of perhaps one of the best economic leverage systems that exist today.

The Chairman: Thank you very much for your presentation. For other members of the committee, the presenters have seen fit to use all but one minute of their time. Mr Farnan caught my eye first, so he has that minute.

Mr Farnan: Thank you. It is hard to comment on such a comprehensive—well done. I think people respect a government that can admit it made a mistake and I think people can respect a government that listens. The opposite is true: I think people resent the government that refuses to listen, particularly when it set into process hearings like this and then would reject what is an overpowering—we have had 7.5 million people represented in 218 municipalities, hundreds of groups, associations, umbrella groups, museums, libraries, symphonies, artists, writers, theatres, seniors, parks and recreation, youth, municipalities, regions, hockey associations. The list goes on and on and the message is so clear. I think the message is partnership: "We want to work with the government; we have thousands of volunteers; we will give you the hours. Work with us, but give us minimum guarantee." Gee, I hope the government listened. You did a super job on your presentation.

The Chairman: Thank you very much for an excellent presentation. I am sorry we do not have time to discuss it more fully.

Ms Quarry: That is fine. Thank you very much for allowing SDMRO to come in this morning. We know that you have heard all these points before and we hope you will just take them into account when you make your decision.

The Chairman: It was an excellent summary.

Our third presentation this morning is on behalf of Arbor Theatre Company. Charles McFarland, the artistic director of that group, will be making the presentation.

#### ARBOR THEATRE COMPANY

Mr McFarland: I have some copies of just one small sheet here that I would like to leave with you.

I am aware of the facts and figures as they have been presented by the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario. I am also aware that following the two previous organizations, I had better make a case for culture as opposed to recreation and fitness.

The Chairman: If I could interject for a moment, because of the shortness of the questioning time, I think a number of members of the committee knew people from their area who were part of the delegation that came with those previous two groups, so if they go out to say goodbye to them, I hope you will not be offended. You are part of the public record as you speak and that is the main purpose of your being here.

Mr McFarland: I am also aware that the facts and figures as they

pertain from the alliance have been made to you many times over, so I do not want to repeat those.

What I would like to do, I think, is to give you a profile of who we are and the kind of difference that lottery funds and profits could make to us in our growth and who we are. The philosophy of who we are, in relation to culture, recreation, sports and fitness is, in the words of the poet Shelley, that we enlarge the circumference of the imagination, which is complementary, I think, to everything you have heard this morning.

Arbor Theatre Company of Peterborough was founded in 1979 and we have just completed 11 seasons as the leading professional theatre of south-central Ontario—or east-central Ontario, depending on whose weather you watch—serving a city population of now close to 70,000 and an area population of 125,000.

Based on summer theatre operations, Arbor Theatre has completed its most successful season to date. We have a subscription total of 3,000. That is a 22 per cent increase over last year. It is the highest per capita theatre subscription rate in the country, representing over five per cent of the city population. Our total paid attendances were up 11 per cent, reaching nearly 24,000 last year, filling an average of 66 per cent of seats in Trent University's Wenjack Theatre.

Peterborough, as I am sure Peter Adams will tell you, is an expanding community. It might even expand more if GO Transit services make it. The economic development council plan for metropolitan Peterborough, if it combines the city and the county, projects a potential population figure of 500,000 for the greater urban area by the turn of the century. So we, as a developing theatre company, have a great sense that we are in the right place at the right time, and to be expanding is the right thing for us to do.

We have based our operations on summer theatre for the last 10 years. I have been with the company for nine months and I am its second artistic director. We are responding to instructions from the Ontario Arts Council, the Ministry of Culture and Citizenship and the Canada Council that because 80 per cent of our audience is resident, we are therefore not a summer theatre. What we should be doing is thinking about realizing our potential as the regional theatre for that part of Ontario. I think there is a series of statistics that says there are 14 resident regional companies in western Ontario and two in eastern Ontario, and we are one of them.

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We are seeking to prove the need for an audience. That is what we are doing at the moment, year-round, by bringing in fall festival programming, by trying a Christmas show for the first time, by developing a play about child abuse which is doing a nine-week tour of the school system in Peterborough county, March through May, and then we do the summer season again. So all those things are the good news and the expanding good news.

The bad news is that we are hampered in the achievement of these objectives by constant cash-flow problems. I could say they are due to previous management of the company, the point being that directives from arts councils have said, "Institute financial controls, institute that kind of responsibility, prove that you are developing an audience and we will then look at your claim to being a year-round resident regional theatre."



What I really want to say to you in terms of the kinds of difference, that not operating grants, as they operate from the arts councils, but special projects or stabilization grants, because we certainly need to do some deficit reduction to enable the ongoing operation and expansion to happen, the difference those things can make in the allocation of profits from lottery funds and income from the trust.

I think the nature of funding is changing and the nature of the way that theatres think about funding. We are now welcoming such things as good business sense, marketing, sponsorships and those sorts of things. We have turned a corner this season in terms of instituting financial controls and responsibility and in terms of developing our audience. We are now at a crossroads. The difference between our continued growth and our expansion, or indeed the demise of this theatre company, one of two serving eastern Ontario, could be the difference which the things we are discussing today are all about.

We would like there to be these special opportunities for us in terms of deficit reduction, in terms of being able to come to the Ministry of Culture and Communications in two years' time and say: "We have proved a need for an audience. We need our own downtown home. Instead of operating an office in one space and renting space from Trent University at the Wenjack Theatre and sending out to Toronto for set building and costume building and those sorts of things, we need a visible downtown presence and we need a capital campaign because of that."

That is really what I want to say; that is, how the income from the proposed trust fund and the proposed third of ongoing lottery profits could make a difference to an organization like us.

The Chairman: Your presentation is obviously focused on one municipality. It is sort of unique in the province. Were you raised in Peterborough?

Mr McFarland: I was raised in Stratford-on-Avon. I am about a first-generation Englishman and about a ninth-generation Canadian, because my parents' families have all been in Toronto since the early 18th century. My parents married in Toronto and moved back to England, so they still have Canadian accents in Stratford-on-Avon and everyone thinks they are a bit weird. I moved back.

The Chairman: I am disappointed to learn this. I thought we had somebody enunciating English in a very fine fashion, raised in Ontario, for instance.

Mr McFarland: I grew up in Stratford-on-Avon. I guess I learned how to enunciate English at Cambridge University and then decided to come back here. I was just back in England for the first time in four years and talked to all those kinds of people over there about exactly what it is that one is doing. My commitment to Peterborough is, as I said to them, I am very happy to be doing what I am doing. In an organization like Arbour Theatre, as an artistic director of a middle-scale company in that very specific community I am identifying, is there a need for this company? Does the community want us to be here? The answer is yes, this year. That is really what it is all about. Why would I want to be anywhere else?

The Chairman: The reason I asked the question is that Peterborough is sort of near and dear to my heart, because both my children were born there. I taught there for the first five years of my teaching career. I think



your presentation on behalf of a community—

Mr McFarland: Is not Peterborough the great representative community? I mean, it is the test-market city.

The Chairman: That is right.

Mr Reyecraft: Could you give us a little more information about the sort of financial picture, annual financial situation, with Arbour Theatre? What is your total annual budget? Where do your revenues come from?

Mr McFarland: Our total annual budget has been \$550,000. Part of the deficit reduction plan this year—it had sort of happened before I arrived—was to reduce that budget to \$520,000. There were some false economies made there. We learnt that cutting your marketing budget in half is not a good idea and so, although we increased our subscriptions by 22 per cent by selling the season, we did not equal that increase in single-ticket sales. We have learnt that lesson.

Our revenues are, I think, pretty well 55 per cent box office, 25 per cent government funding—from city, province and federal—and 15 to 17 per cent donations. We run campaigns for patrons. We have private fund-raising campaigns going on in terms of auctions and sponsorship events and that sort of thing. I think that is pretty typical, actually, of the figures that most not-for-profit theatres project.

Mr Reyecraft: It is similar to figures we have heard from other organizations and other theatre companies. Generally, how are those expanded? How large is that staff?

Mr McFarland: We have a permanent staff of five: an artistic director, a general manager, a marketing director, an office manager and a bookkeeper. We expand to 35 in the production season, which is roughly May though September, including production managements, production assistants, design, technical, more marketing, that kind of thing. On top of that, we hired 22 actors this summer. So we are talking about a total, I guess, of about 55.

Mr Reyecraft: I think that answers my question.

Mr Farnan: One of the things I liked in your brief was—I cannot locate it right now, but I think it was the Canadian content of the plays. Can you tell me, is this a conscious direction policy of the theatre?

Mr McFarland: Yes it is. There is a certain amount of, as I am sure you know, political awareness involved in government funding in that more will go to Canadian content from the arts councils than it will to anything else. What I have been through, in my first season as artistic director of this theatre is, as it were, a test-market situation. I knew that I was walking into a situation of an accumulated deficit which represented 40 per cent of the operating budget. That is pretty steep.

I think that every theatre's job is to find out who its audience is and what their concerns are. We both reflect and, hopefully lead, in that sense. So I program too, as it were, Broadway-West End hits, thinking these will be the moneymakers. Then we will do a Canadian play and then we will do a classical play that we are exploring in a new kind of way. They are the risks. Those two did much better than the Broadway-West End hits. That is a lesson I

think that is particularly true in relation to the conversations that I had with English actors and friends a couple of weeks ago. It is something very particular to this country that, in a way that neither English regional nor American regional audiences are doing, we are developing a very specific Canadian inclination. Audiences are becoming more sophisticated than we think. They are not buying the old tradition, which is that every regional theatre does what was a hit on Broadway two years ago. What they want to come and see are plays which reflect their own communities and their own concerns and their own sense of developing nationhood. I think that is very exciting.

Mr Farnan: I think it reflects the success of all of the people in the arts field, from the schools to the little theatres right up to the national showpieces, and I think that is partly my concern.

For the O'Keefe and the kind of showpiece where government is putting in funds, there is kind of a recognition, but in order to maintain a national presence and to give a platform for our young talents to develop and aspire to a national and a worldwide stage, I think you have to fund at every level. I would compare this to a farm system going right from the schools, and in a society where there is an increasing amount of leisure time, I think the arts and the theatre and dance and music, etc, take on an increasingly important role.

Where does Arbor fit into the farm system? Is it double-A or triple-A ball, or are you in the major leagues?

Mr McFarland: I do not think we are in the major leagues. I think we are in the double-A. I do not know how many Toronto MPPs we have here, but I think there is a perception among regional theatres in Ontario that the real work in terms of developing new scripts and new Canadian work is actually happening outside Toronto now, that as middle-scale companies we are able to take risks in commercial terms because we have a more assured audience—3,000 subscribers represents over half our total audience—that we are able to take risks on developing new work.

That happens now when we look at the city of Toronto, and I have lived in both Toronto and Peterborough. When we see this kind of Phantom of the Opera-ization of commercial theatre in Toronto, I think that we, as the farm teams, are the people who are actually nurturing the next generation of playwrights, perhaps the next generation of directors, certainly the upcoming quality generation of actors.

Mr Farnan: You would not exclude audiences either.

Mr McFarland: Absolutely.

Mr Farnan: Audience education is very important as well.

I really appreciate that answer. Certainly I believe it worth while that the government pay as much attention to culture and the arts as to recreation. New Democrats have always gone with a philosophy of healthy body, healthy mind, healthy society. Other groups, recreation groups in particular, have stressed the preventive health care aspect. In terms of culture, the arts, and theatre in particular, how do you reflect as part of a preventive health care system?

Mr McFarland: I think you were probably out of the room when I said this at the beginning. If I sort of speak the philosophy of it, I think there

are various definitions of what works of art can do. I quoted the poet Shelley, who said that what we do is we enlarge the circumference of the imagination.

There is another one which I am particularly fond of. I was doing an Athol Fugard play a couple of years ago, and doing research on him one looks at Albert Camus's the Myth of Sisyphus. In a sense, what we all do is spend our lives rolling stones up hill to watch them go back to the bottom again and do it all over again. He said a work of art is that exercise in detachment and passion which crowns the splendour and futility of a man's life. In a sense, I think that is a wonderful definition of what we do, which is that we are both involved in something hugely important and at 10:30 every night it does not exist.

Mr Ruprecht: Can you not be more positive in your quotes?

Mr Farnan: One last question: When you say you take on 35 actors and are running about six plays over the summer season, are they the actors who perform in all of the plays?

Mr McFarland: That is the total number, yes, spread over four or five plays.

Mr Farnan: But the actors may actually be involved in two plays or three plays.

Mr McFarland: We tend to do it show by show. We tend to say that we need a three-week rehearsal period and three-week run. As soon as one show has opened, we will start rehearsing the next one. We could carry them over or we could just simply hire whomever we need to start for the next play.

Mr Farnan: Good luck for the future.

The Chairman: I would like to thank you very much for a very interesting presentation. As a math teacher of 30 years, you gave me some rationale once again for including myself as being in the arts rather than sciences.

Mr McFarland: Despite my meshing quotes.

The Chairman: I was just mentioning to my clerk that this is why we teach mathematics. Most people do not really know what circumference means.

Mr Ruprecht: And now your quote, Walt.

Mr McFarland: To sum up, all that I wanted to do was to say that the designation of lottery profits or the income from them can make a difference, not in terms of the operation of what we do but the fact that what we are looking at is an expansion into a permanent home and expansion into a permanent assured place in our own community. That is not something that can happen from the Ontario Arts Council, which has only increased its grant by four per cent over four years.

Mr Farnan: I think you have also taught us there is a world outside Toronto.

The Chairman: My other suggestion might be that you might have a short chat with Peter Adams, if you have not already done so. He tends to



preach on behalf of your community in a very fine fashion once he has all the information.

Mr McFarland: Yes, he tends to preach on behalf of the theatre too, actually. He is a very strong supporter.

The Chairman: Yes, he is. That is why I mentioned it.

Our fourth presentation this morning is on behalf of the Association of Aquatic Personnel of Ontario. We have three presenters, Steve Elliott, vice-president, Len Manuel, vice-president, and John MacIntyre, a past president of that organization.

#### ASSOCIATION OF AQUATIC PERSONNEL OF ONTARIO

Mr Elliott: My name is Steve Elliott. I am vice-president of the Association of Aquatic Personnel of Ontario. That is a mouthful. AAPO is how we identify ourselves generally. On my right is Len Manuel, also a vice-president, and to my extreme right John MacIntyre, past president of our organization.

I think it is appropriate to mention too that we acknowledge the fact that we are the last presentation you will have to endure, so please bear with us.

I would like to start on a personal note and say that, for example, I hope that I typify many of the members of our association in the fact that I not only used water in pools and aquatic activities as a kid but it dawned on me one time that it might be an idea for a profession as well. Not only did I start as a pool rat, like many of us did, in the city of Burlington, but I pursued the activities through high school and university and eventually came up with the idea that it would be a good career option as well, and I am still gainfully employed in that field.

Our association represents over 250 professionals in aquatics from a variety of backgrounds, small municipalities and townships, YMCAs and other organizations as well.

AAPO is an active member of the Parks and Recreation Federation of Ontario and we wholeheartedly support the federation and the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario in their position that one third of ongoing annual profits of all six lotteries should be allocated for support of culture, recreation, sports and fitness. This is consistent with the intention of the current Ontario Lottery Corporation Act and in keeping with existing and anticipated needs of the recreation and culture sectors. These ongoing profits should continue to be used for capital projects and other nonrecurring purposes.

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Also, the accumulated profits of the dedicated Ontario lotteries, estimated at \$369 million, should be treated as a trust fund and the interest thereon should be allocated annually for the support of culture, recreation, sports and fitness. The interest on the trust fund could be split equally between the culture and recreation sectors and could be allocated for specific priority projects.

With aquatic recreation, opportunities are extended to all ages,

abilities, income levels, locations and motivations. For the participant the benefits include ease of access, pleasurable, portable skills and low cost with the potential for a major impact on health and wellbeing. Regular aquatic activity will contribute to overall physical health through exercise that is not stressful to muscles or joints and will stimulate cardiovascular and respiratory efficiency. The post-trauma rehabilitation of injuries often includes aquatic support.

Lottery funding has contributed much to badly needed new facilities, capital conservation to extend and improve existing facilities and to support initiatives in increased participation. Without lottery funding, aquatic facilities suffer through deterioration and new ones cannot be built. Programs of agencies like the Royal Life Saving Society Canada, the Canadian Red Cross Water Safety Society and the various community groups will be severely affected, and thus the lifesaving and learn-to-swim opportunities for our youth. Programs to train water safety instructors and lifeguards will suffer immensely, since these volunteer agencies require provincial funding. Ontario residents will be denied an enjoyable activity that has the potential to contribute to the improved quality of life for every Ontario resident.

In studies done by the Ministry of Tourism and Recreation on physical activity patterns in Ontario, aquatic activities, usually in the form of swimming, remain consistently in the top three choices. The availability of fresh water and swimming pools remains high on our list of priorities. With respect to possible activities in, on and around the water, I do not think I have to allude to those. We are very aware of the popularity of aquatics and the role it plays for almost every person in Ontario. Few of us are not touched by some form of enjoyment during the summer or winter months that involves aquatics.

Families view water activity as an opportunity to enjoy quality family time. Popular in our pools are the family swim times where the emphasis is on the family to take a couple of hours and stop what you are doing, get the kids together, load the car up and go down for family time at the pool. It is still something that we strongly support and it is an active part of our promotional programs to try to get people to come to our facilities. Who then is not touched by the opportunity to participate in an aquatic activity of some sort?

Mr Manuel: To start off, I would like to talk about aquatics for disabled people in Ontario. As most of you know, the provincial government is now taking an active and leading role in creating a new age for people who are disabled in the province. There is a massive deinstitutionalization program going on through the Ministry of Community and Social Services, which has a 25-year commitment to deinstitutionalize every disabled person within its institutions at this present time.

They are emphasizing that these people will move back to their communities, they will live with integrity and independence, live with their families and gain a sense of community. What Ontario and the government are advocating here is equal civil rights for every person no matter what his or her disability is, and I think the government should be commended for taking this actually very brave and long-term goal with our disabled people.

However, what both the Ministry of Community and Social Services and the Ministry of Tourism and Recreation are doing at this time is turning to community recreation, and in particular aquatics, as a vital part of the community living process. The reasoning behind this is that in aquatics, because of buoyancy, disabled people can have more mobility than in any other



medium that we know of, at least to date. Their physical health and their physical abilities actually improve. There have been some amazing cases of this, as well as that they have a true chance to socialize in an integrated atmosphere and become a part of their communities again. We are going to see massive changes over the next 15 to 20 years in the shape of our society in this regard.

A good example at this point in time is a young gentleman by the name of Chris Strype. He is developmentally delayed. He is 17 years old. When we received a card from him, he had to trace the printing of his name. However, in other areas he is incredibly functional. He comes in on a school field placement program in co-operation with the board of education and he assists in the teaching of preschoolers in the pool. He works alongside a qualified lifeguard instructor at all times for safety reasons, but this program is no longer for Chris. Chris is viable and an asset to our program. The people who use our program enjoy him and ask for him as much as they ask for any of our most popular instructors.

The funding that the provincial government has done both through government funding and through the lotteries allows us the capital money, allows us the facility and allows us in the community the opportunity to provide these kinds of programs and opportunities. You should at no time think that it is only a small contribution. It is a very large contribution, and without it, we would not be able to be nearly as effective as we are.

In its presentation earlier this morning, the Society of Directors of Municipal Recreation of Ontario alluded to the fact that our population is ageing and in 15 or 20 years all of us are going to be participating in the community facility programs. I hope a lot of you will come to our pools. The skills that are continually learned in that—we have senior citizens who are now retaking courses again for the physical activity and the socialization that they have as a vital part of their lives. We are touching and reaching a lot of people who are on very fixed incomes who cannot afford to go down to Florida for six months or cannot afford to take holidays on the west coast because the winter is a little cold here. We are reaching the people who are living in the community on a fixed income and their daily lives are truly enhanced by the fact of the community recreation and the aquatic facilities that they are able to use.

A major portion of what we do in aquatics is work with youth. We talked about youth several times, and I am sure you, as parents, as I for my kids, have a very major concern around drugs, violence, diseases and the advertising we see. All we have to do is watch the evening news to be reminded of some of the areas of our society and where they are going.

Aquatics provides a very viable and positive opportunity for youth. We employ thousands of kids throughout the province. We bring them in at an early age. They start their training usually around 13 or 14 years of age in our courses. They go through to become lifeguards and instructors. Through that process they learn self-discipline, leadership and technical skills in first aid and lifesaving that they will carry through their entire lives. Many people who are very successful professionals attribute their start in aquatics to giving them an excellent opportunity to develop leadership skills at an early age.

When you send your child to the community pool, you trust that the child is going to come home alive, and that is something that happens in aquatics. You are turning that kid's life over to a youth 17 or 18 years of age, and



that training just does not happen overnight. It takes a lot of time. It takes a lot of effort from professionals to train those kids. It takes effort on their part to do it, and it also takes a lot of money. We just cannot get around that. The bottom line is that it does cost money to train people, and we all are doing a very successful job.

About two years ago, we were experiencing some pool closures. The city of Toronto had to shut down a number of its outdoor pools. A number of the rest of the people throughout the province were reducing the hours of the pools. The reason for that was that we did not have enough staff to man the pools, run the program and meet the demands that were upon them. In response to that, our membership came to us and said, "We can do something locally, but we need something to grab kids." What we came up with, at their suggestion, was a poster that you received in your packages, and we are going to show you the video we produced.

Lottery funds supported this video, and without the lottery funds and the upfront money, we could not have produced it. We also think that it shows an example of the type of youth who is employed in aquatics and the type of activity we actually perform.

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Mr Carrozza, would you just turn on the video? If you will bear with us, it is only six minutes long, but we felt it would be six minutes well spent.

[Video presentation]

Mr MacIntyre: I would like to touch on some of the financial implications and offer just a very quick summary, if I could. Certainly from the video and from the discussions that we have heard earlier today, we can recognize that aquatic facilities are very well used by the public and offer various benefits of providing aquatic and recreational opportunities for the public in this province. But these facilities are very expensive to build and there is an ongoing, very expensive commitment to operate them on a year-to-year basis.

In terms of capital costs, approximately five years ago you could build an aquatic facility for about \$80 to \$90 per square foot. Current costs for new construction in aquatic facilities range from \$120 to \$160 per square foot. Many municipalities simply cannot afford to build these new facilities without provincial support.

Where does that support come from? It comes from lottery-based programs. Municipalities used to be able to have access to other tax-based funds from the provincial government, such as the Community Recreation Centres Act, commonly called the CRCA. At one point that was funded up to almost \$20 million a year. All the municipality had to do was to apply for it and there was a virtual guarantee that it would be funded. They no longer have that access.

Further, as we heard earlier today in the Society of Directors of Municipal Recreation of Ontario and the Ontario Arenas Association presentations, over half of the eligible requests for capital funding from lottery sources have been rejected in the last three years. This means that citizens potentially, and in particular the smaller centres and areas of rapid growth, particularly around the Metro region, may not have the use of aquatic or recreational facilities in their communities, because the municipalities

simply cannot afford to build them without any provincial support.

I mentioned these facilities were expensive to operate as well, and with high energy costs, extensive supervision and staff costs and the high standards of safety and cleanliness that are required, you can see that the costs do add up and are considerable. But we feel very strongly that they are very worthwhile and it is a worthwhile investment.

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To offset some operating costs, municipal recreation departments have a tax-based funding program called regulation 517. This program funds municipal rec departments across the whole province and is the only remaining tax-based program that is universally available to all municipalities. Unfortunately, the funds dedicated to this program have been frozen at approximately \$5.1 million since 1982. This has resulted in the prorating of allocations under this regulation, with the current situation that larger municipalities receive only 50 per cent of their eligible grants. If they do not get this kind of money, then there is the potential for cuts to operating costs of aquatic facilities and recreation facilities. Further, since this has been prorated and flat-lined since 1982, with the effect of inflation the purchasing power of these funds has been constantly eroded.

The net result of these two program constraints or flat-lining is that an unfortunate dependency on lottery funds has been created. Many of the presentations that have come before this committee have indicated that people are worried there is no minimum funding guarantee for the culture and recreation sectors. CRCA funds have been eliminated. The only surviving tax-based program, regulation 517, has been flat-lined since 1982, and during this time the needs of the province have significantly increased with our growing and significantly changing population.

Even though this unfortunate dependency has been created in the culture and recreation sectors, we have not been able to count on the lottery funds to which we were supposed to be having good access. I have a brief handout which I will distribute very shortly. It indicates, and I think you have heard it before, that less than 50 per cent—and in fact the average over the last three years has been 44 per cent—of eligible and justifiable applications for capital support under these lottery grant programs have been funded.

On the sports side, there is a program through the Best Ever program that indicates 50 per cent of the costs for travel and hosting a major competition would be eligible for lottery-based funding. But current figures indicate that only 23 per cent of these eligible costs are actually being funded. And that begs the question: Will there be future Alex Baumanns and Elizabeth Manleys to bring home glory and gold medals to Canada and to Ontario?

By all these examples we can see that the reliance on lottery funding has really been pushed, but we now are in a situation with Bill 119 where we feel our backs are really up against the wall; and this whole argument has really created an unnecessary focus on the source of funds rather than the actual amount of funds that is actually received.

You can see that if the government had been committed to a funding program that was funded on a per capita basis and indexed to inflation on an annual basis, then I do not think you would have heard over 100 presentations to this committee. But based on past actions, the culture and recreation sectors are trying to hold on to something tangible, and the only tangible



thing that we have is our share of the lottery profits that was intended for culture and recreation in the first place.

This has not been an easy issue for this committee to resolve and it certainly will not be. On the one hand you have the constraints of modern government and on the other hand you have an opportunity to potentially reallocate funds away from a sector which many people think is a fringe area or so-called soft service.

We do not believe it to be a soft service. Let me assure you that the people in your communities who participate in these activities recognize it as an essential part of their lives, health and wellness professionals recognize it as an essential part of people's lives, the community recreation policy statement of the Ontario government recognizes it as an essential part of people's lives and we, as aquatic and recreational professionals, recognize it as an essential part of people's lives—certainly far from a soft service.

It is also difficult for you to recommend increased funding for culture and recreation because the health benefits of such a move may not be realized for many years, so we have to look at it as an investment, but like any investment, it has to be made in a timely and responsible manner or else the benefits will not be as significant as they might have been.

We urge you to consider these implications for the future of recreation and the quality of life in this province in proceeding with this legislation as stated and to seriously take to heart the comments that you have heard from well over a hundred groups that have preceded us. We thank you very much for the opportunity.

The Chairman: Thank you very much, gentlemen. Again, this delegation has seen fit to use all but two minutes of its time, so I am going to give Mr Farnan a minute and Mr Reycraft a minute.

Mr Farnan: Well, we are at the end of the road in terms of the delegations. On behalf of the New Democratic Party, I suppose I would want to say to all of the delegations that took the time to prepare so well and to come before the committee on behalf of the groups that you represent that it is an extraordinary experience to me, as a relatively new member of the House, sitting on a committee for the over 100 delegations that have appeared before us. You would have thought that after the first two or three days you would have heard everything, but each group that comes brings with it a unique perspective and clearly a commitment and a dedication to its contribution to Ontario society, as you did this morning with aquatics. So it has been a pleasure to be part of this committee in terms of the quality of the briefs.

I think the other thing I would say is that there was an extraordinary uniformity. Despite the uniqueness of all of the briefs, there was an extraordinary consensus. I have never seen that on a committee before that the groups came forward so united and said, "This is what we want."

Of course, politically I think New Democrats and Conservatives will benefit if the government refuses to listen. I think the government will benefit if it can demonstrate an ability to listen. I think the people of Ontario will benefit if we renew the partnership with the volunteers and professionals in culture and recreation and provide the kinds of guarantees, minimum guarantees, in fact, so that we can go into this partnership and continue to expand the quality of lifestyle, participation and preventive health care and indeed just make for a better society in Ontario all around.



Thank you very much.

The Chairman: Thank you, Mr Farnan. Mr Reyecraft, you have two minutes. I allowed Mr Farnan two minutes.

Mr Reyecraft: That is very generous.

Mr Sterling: If I have 10 seconds, on behalf of the Conservative party, I would like to—

The Chairman: Could we recognize you in the order, please?

Mr Sterling: Well, I think it is more appropriate that I do it here than Mr Reyecraft, because I probably do not want to condone or agree with Mr Reyecraft's remarks but I would like to just add my remarks. They would be very similar remarks to Mr Farnan's remarks. I congratulate you very much on the quality of your presentation and we equally support your position on this.

Mr Reyecraft: I want to thank the group for the presentation this morning. They have done a good job of reminding us of the opportunity that aquatics provides for improving the quality of life for all of us in Ontario. I particularly thank Mr MacIntyre for returning to the committee. I believe he was present on the very first day of the hearings.

Mr MacIntyre: That is correct.

Mr Reyecraft: He sort of represents the alpha and omega of the process. I want to say that we have been listening, and listening very carefully. That being said, there may not be a consensus on the interpretation of what we have heard vis-à-vis the other two parties, but we will find that out this afternoon, I guess.

I have a very brief question, and it is to Mr MacIntyre, who was here last time representing the Parks and Recreation Federation of Ontario. For how long has your organization been aware of the "unallocated surplus" of lottery profits?

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Mr MacIntyre: I cannot give you an exact date when we first became aware of it, but I can say with confidence we have been aware of it for a number of years, certainly prior to the Bill 38 era. I believe it goes back about two years prior to Bill 38, so that would make it 1983 or 1984. I do have some copies of some statistics which do graphically represent the unallocated surplus and how it has grown over the years.

Mr Reyecraft: Did your association communicate by letter or otherwise with the provincial government, the Treasurer, the Ministry of Tourism and Recreation or anyone else about your concern related to that unallocated surplus?

Mr MacIntyre: I cannot say that we specifically commented on our concern on the unallocated surplus. I think very clearly I can recall instances where we had expressed our concern over applications and funding that was not allocated in the era where moneys were bolstering the unallocated surplus. I did not think it became a very big concern until Bill 38 actually arrived on the scene, when there was the first indication that the government had its eye on that particular pool of money. I know that the concern has been

expressed many times in the past that recreation funding was not keeping pace with need, but as to how it related to the unallocated surplus, I do not think the link was made until just before Bill 38. I stand to be corrected.

The Chairman: Thank you very much, gentlemen, for making the very last presentation as worth while as the first.

Mr MacIntyre: I have one question. What is the form for this afternoon? I know you have something called clause-by-clause.

The Chairman: Clause-by-clause means it is a discussion among the committee members about what we are really going to be doing with the bill.

Mr MacIntyre: And it is open to the public?

The Chairman: It is open to the public. I am glad you asked that question, because I did mention one time in error that it might be in camera. It never is, because otherwise we do not have the Hansard available and we have to put everything on the public record. It is definitely open. The public cannot take part in the discussion.

Mr MacIntyre: That is at two o'clock?

The Chairman: Yes, two o'clock, hopefully.

Are there any further comments or questions by the committee?

Mr Sterling: Just before we disperse until two o'clock, not having been able to attend all the hearings of the committee, I was wondering if the research officer could provide for us this afternoon, if she has an approximate number, how many of the groups that appeared in front of us and addressed the committee over the past number of weeks were actually in favour of the bill as it now stands. If she could provide that to me this afternoon, and how many were against it, I would appreciate knowing.

The Chairman: The request has been noted. Our researcher had already indicated to me earlier that, subject to modification by the four presentations this morning, a summary would be available. I am not sure that would be incorporated in it, but if that is possible, I am sure you will get that information. I think we are at about 104 or 105 presentations at this point, but I have also asked the clerk to substantiate that so we know exactly how many came. With the cancellations daily, it has been hard to keep complete track of that, but we are up over 100 and we are in the range of 104 or 105, I believe.

Any other questions or comments before I adjourn until two o'clock this afternoon? We stand adjourned then until two.

The committee recessed at 1216.

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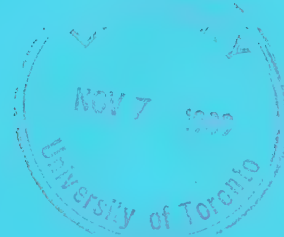
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STANDING COMMITTEE ON GENERAL GOVERNMENT

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989

THURSDAY 5 OCTOBER 1989

Afternoon Sitting





STANDING COMMITTEE ON GENERAL GOVERNMENT

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Bryden, Marion (Beaches-Woodbine NDP)

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Cordiano, Joseph (Lawrence L)

Cureatz, Sam L. (Durham East PC)

Fleet, David (High Park-Swansea L)

McLean, Allan K. (Simcoe East PC)

Ruprecht, Tony (Parkdale L)

Sola, John (Mississauga East L)

Substitutions:

Cunningham, Dianne E. (London North PC) for Mr Cureatz

Farnan, Michael (Cambridge NDP) for Mr Charlton

Lupusella, Tony (Dovercourt L) for Mr Sola

Reycraft, Douglas R. (Middlesex L) for Mr Cordiano

Sterling, Norman W. (Carleton PC) for Mr McLean

Clerk: Carrozza, Franco

Staff:

Anderson, Anne, Research Officer, Legislative Research Service

Tucker, Sidney, Deputy Senior Legislative Counsel

Witnesses:

From the Ministry of Treasury and Economics:

Nixon, Hon Robert F., Deputy Premier and Treasurer of Ontario and Minister  
of Economics (Brant-Haldimand L)

LEGISLATIVE ASSEMBLY OF ONTARIO  
STANDING COMMITTEE ON GENERAL GOVERNMENT

Thursday 5 October 1989

The committee resumed at 1410 in committee room 2.

ONTARIO LOTTERY CORPORATION AMENDMENT ACT, 1989  
(continued)

Consideration of Bill 119, An Act to amend the Ontario Lottery Corporation Act.

The Chairman: The chair recognizes a quorum. The purpose of the standing committee on general government being here is to do clause-by-clause associated with Bill 119, An Act to amend the Ontario Lottery Corporation Act.

As was announced yesterday by the parliamentary assistant to the Treasurer, the member for Middlesex (Mr Reycraft), the Treasurer (Mr R. F. Nixon) has subbed on to the committee to make one amendment and to be available for questions that committee members might have.

With that background, I will ask for any comment or opening queries of clarification by the committee. I propose then to go into a more formal approach. Is there any opening comment or question of clarification by the committee?

Mr Sterling: I asked before we rose at noon that the researcher on this bill, Ms Anderson, provide us with information with regard to how many groups of the 190 different groups that made oral presentations and written presentations actually supported Bill 119. Unfortunately, the researcher was not able to remember one group of 190, as per my discussion with her prior to beginning this meeting, that supported this bill. In other words, we have had 190 representations to this committee. We have not had one group that was in favour of it.

Therefore, my party finds this bill deficient in a number of respects.

Mr Fleet: On a point of order: Are we in a debate? What is the process?

The Chairman: No, I asked for an opening comment and this is along the line of a closing request this morning. This was definitely asked for.

Mr Fleet: I heard that part. It sounded like you were about to go off on another tangent. I just want to understand what process we are now into.

The Chairman: I would like Mr Sterling to finish his comments fairly quickly because, as was indicated yesterday, the Treasurer only has an hour.

Mr Sterling: Maybe the Treasurer will just have to extend it beyond an hour. I appreciate that he has a tight schedule but this is an important matter to a lot of groups, as exhibited by the number that have appeared before this committee.

We find this bill deficient in a number of ways and we will be proposing an amendment to it. This bill, for a number of reasons, is a fine example of

the sorry way this government conducts the public business of this province.

First, the bill illustrates how this government has consistently fumbled its own legislative agenda. Bill 119 received first reading on 25 April 1988. It is a 1988 budget bill. It is only now; however, 18 months later, one budget later and halfway through the 1989 fiscal year, that any substantive work is being done on the bill. For about a year and a half the government has kept the arts, cultural, fitness, sports and recreation groups hanging fire while this bill, which deals directly with the future funding of these groups, is mired in doubt as to what was going to happen.

Second, while I do not wish to prejudge the results of this committee's deliberations, we have no indication that the government is going to permit any substantive amendments to Bill 119, a money bill, but will shelter behind standing order 15.

The public hearings then will have gone for naught. It reminds me of the public hearings on the Sunday shopping bill, where group after group came before a committee of this Legislature and said, "This is bad law and we do not want it." I believe that in the case of those bills some 522 groups made submissions—

The Chairman: At this point, if I may: I have asked the advice of my clerk as to whether this is acceptable procedure and his advice, which I propose to act on, is that we really should get into specific amendments for this kind of statement to be made. You are not really relating to the question of clarification that you started with. I already have a list of four or five other people who would like to make comparable statements and I do not think this is appropriate at this stage. In clause-by-clause, unless we have a clause on the table to talk to, we should not be talking to the bill in its entirety.

Mr Sterling: If you want me to make this statement when we are dealing with the preamble of the bill, I will do it at that particular stage. For the sake of the time of the committee, I am going to make the statement at one point or the other.

The Chairman: Could I have an indication of how long the statement is, approximately?

Mr Sterling: The statement will probably take me another 10 minutes.

The Chairman: Could I have some direction from the rest of the committee as to whether this is what the committee wishes to do?

Mr Sterling: Of course they do not wish to hear it.

Mr Reyecraft: I certainly want an opportunity to respond to the points that have already been made by Mr Sterling in his statement. I do not know what other points he is going to attempt to make but I am quite happy to defer my reaction to his opening statement until we are well into clause-by-clause. I do not believe it is necessary for me to react to it before we actually start.

I indicated yesterday that the Treasurer could be available from about two until three this afternoon. He has other commitments. Mr Sterling and other members of the committee were aware this morning of the availability of the Treasurer. I would like to hear what the Treasurer has to say. I would



urge that we postpone these statements until we have completed that.

Ms Bryden: I do not believe there is a preamble to the bill so we would be into the first major clause if we deferred any general statements until we get into the bill. I still think there is room for five-minute statements or something like that by any members who wish to comment.

I also wish to take the opportunity, when you invited opening remarks, to say that I think it is shocking that the Treasurer appears before us only for one hour at the tail-end of hearings on a very important subject, namely changing the allocation of lottery money from the original legislation and the purposes of recreation, culture, fitness and sport, changing such a fundamental part of our legislation so that all funds from all six lotteries will be entirely under his control as to where they are allocated without any guidelines for him to follow in that.

There were guidelines in the original lottery bill which specified those four areas. We now have additional money from other lotteries. There has never been legislated any guidelines for other moneys coming in, although each lottery was set up either by order in council or some sort of statement as to purpose.

If we are going to regularize the distribution of lottery funds, I think the Treasurer should have been here to tell us exactly why he feels that it all has to be under his control without any guidelines at all. It can be challenged by the recipients who may feel the allocations are not fair.

The Chairman: As the chair, I would like to move into the formal clause-by-clause consideration of the bill.

Mr Farnan: My name was on the list, as you are well aware.

Mr Callahan: On a point of order—

The Chairman: I am not recognizing Mr Farnan because the attempt, as I view it, is to get us into a discussion here back and forth. What I would like to do is formalize the proceedings so that the amendments that are proposed may be placed to give our backup staff and myself some idea of what sort of afternoon we are faced with here. You were good enough to table with us, early on in the proceedings, a couple of proposed amendments. I do not know whether you decided to go ahead with those or not. Mr Sterling has already indicated he has an amendment which he proposes to put.

I think the standard procedure in this kind of situation is that we all realize that any member may move an amendment to any section of the bill. Usually what happens is that there is a call. If there are any amendments they should be signified by section and they should be submitted to the table here in writing so that we know what we are faced with and so that legislative counsel and others may make comment as to whether or not they are appropriate. So what I would like to do, with the approval of the committee, is make that call for amendments.

1420

Mr Sterling: On a point of order: You gave me the floor. You indicated to me that you would allow me an opening statement and I understood each party would have that opportunity. I intend on being held fully to that. I would like to continue with my statement and I would be pleased to hear what

the other two parties have in terms of an opening statement with regard to this matter.

The Chairman: I think you must have misinterpreted or I was not clear enough on what I intended at the beginning. I thought I was specific in saying that you had justification in asking for a clarification on your specific request as to how many were in favour of Bill 119. I think that has been satisfied. The information that the researchers have available has been put in front of all the members of the committee and we have deviated from that purpose. So if that was the understanding before, I am clarifying it at this point in time. It was not my intent to give each member of the committee a chance to make an opening statement.

Hon R. F. Nixon: I have an amendment to section 2.

The Chairman: I have a point of clarification here first.

Mr Farnan: I want to request the Treasurer, in his remarks, to address the motions that I tabled with the committee. I want to ask the Treasurer if in his remarks he will clarify the procedure by which amendments can be made which designate funds and if it is indeed true that it is only the minister, with the letter of recommendation from the Attorney General, who can do this. If he was knowledgeable of this, cognizant of this, and intended not to give a designation of a minimum of a third, why had the committee not been informed of this until this particular period of time? I am very interested in hearing the Treasurer on this.

The Chairman: In issuing the call for amendments, I have heard the Treasurer indicate that he has an amendment to section 2. Are there any other proposed amendments?

Mr Farnan: I have tabled two amendments.

The Chairman: Are they as you tabled them or are they in a different form?

Mr Farnan: The only difference is that clause 9(b) in the first motion is deleted. You cross out clause 9(b) of the first motion and then you have the motion as amended. Also, the same would apply for the second motion, clause 9(2)(b) would be deleted.

Mr Sterling: I have an amendment to section 1 of the bill if Mr Farnan's amendment is unsuccessful.

Mr Fleet: Has a copy of that been distributed?

Mr Sterling: No. I will not introduce it until that time.

The Chairman: Are there any further proposed amendments? I have been advised of Mr Sterling's and that is satisfactory.

Section 1:

The Chairman: Mr Farnan moves that section 9 of the Ontario Lottery Corporation Act, as set out in section 1 of the bill, be struck out and the following substituted therefor:

"9. The net profits of the corporation, after provision for prizes and

the payment of expenses of operations, shall be paid into the consolidated revenue fund, at such times and in such manner as the Lieutenant Governor in Council may direct, with a minimum of one third of the amounts so paid in to be available for appropriation by the Legislature

(a) for the promotion and development of physical fitness, sports, recreational and cultural activities and facilities therefor;

and the remainder of such amounts be available for appropriation in such manner as is determined by the Legislature."

Because Mr Farnan was good enough to circulate this proposed amendment now as amended to the committee some time ago, I have sought advice from a variety of sources and the advice leads me to make a ruling that, because you are specifying "with a minimum of one third of the amounts so paid," it is directing a minister of the crown to expend funds. I have to rule the motion out of order for that reason, because this a money bill.

Mr Farnan: I would like to speak to that, Mr Chairman.

Mr Reyecraft: It is not debatable.

Mr Callahan: He can challenge the chair.

Mr Sterling: I think only in fairness, in that Mr Farnan gave you advance notice of this particular item, that he be given an opportunity to talk to it.

The Chairman: Further comment, Mr Reyecraft?

Mr Reyecraft: Perhaps I can be helpful. I wonder if before we get into your ruling, any discussion of it, if we could have any other amendments to section 1 read into the record and then stand down that section and move to section 2, so that we could have an opportunity to hear from the Treasurer in the time that is available to us this afternoon and return to section 1 after that.

Mr Sterling: I had a question on the particularities of this ruling, which are relevant to the introduction of my amendment: whether or not I would introduce it and whether or not I would have good argument with regard to it.

Mr Reyecraft: I assume that if we stood down section 1 with Mr Farnan's amendment, we could return to section 1 and deal with the chairman's ruling, and once that is out of the road, then move on to deal with your amendment or your questions related the chairman's ruling on Mr Farnan.

I am not suggesting that we should preclude anything; simply that we defer the discussion on section 1, the amendments and the ruling until we have heard the Treasurer's amendment and he has had an opportunity to respond to questions. I know that the Treasurer's schedule requires him to be elsewhere at 2:00 pm, 3:00 pm, 4:00 pm and again this evening for a dinner. So it is a tight schedule and—

The Chairman: Would you be willing to stand down section 1 so that we can get to section 2, so the Treasurer can propose his amendment and reply to any questions people might have?

Mr Farnan: My understanding is that the motion I have on section 2



would have the same ruling.

Mr Sterling: Not if he is proposing it.

Mr Farnan: Okay. In the interest of getting on with the process, let's follow that.

The Chairman: Is it the consensus of the committee then that we stand down section 1 and come back to it after we address section 2? Treasurer, would you read your proposed amendment to section 2?

Ms Bryden: We are only dealing with section 2 with regard to the Treasurer's amendment—

The Chairman: Exactly.

Ms Bryden: —and then we come back to section 1 before we—

The Chairman: Exactly.

Hon R. F. Nixon: Mr Chairman, I appreciate the accommodation of the committee.

The Chairman: Mr Nixon moves that section 2 of the bill be amended by striking out "1988" in the third line and inserting in lieu thereof "1989."

All members have heard the amendment. I believe it was circulated by the clerk prior to the beginning of the session. Does everybody have the amendment in front of them? Would you like to give an explanation of the amendment, please.

1430

Hon R. F. Nixon: Right. Let me begin by saying I am glad to be here. I have certainly followed the work of the committee around the province while you have had the interesting experience of hearing the views of the community expressed in the way Mr Sterling referred to them. I know he is correct in that.

He also indicated that the original bill before the committee was a budget bill a year and a half ago. For a number of reasons that the honourable member and others are probably aware of, it was not possible for the government to proceed with this with the other priorities that the Legislature placed in Orders and Notices. I am glad to have a chance to talk to the members of the committee as they come close to the end of their deliberations in this connection. Because of that delay, the amendment changes 1988 to 1989 for obvious reasons, so that all of the accrued resources from the Ontario Lottery Corp will be subject to the allocation and reallocation that is proposed by this bill.

The honourable members would recall that a previous bill had been introduced by myself that would have simply made all the funds available to the direction of the Legislature and the amount that would go into recreation, cultural matters, the Ontario Trillium Foundation or anything else would have been subject, as most other allocations are, to the will of the Legislature.

The honourable members are correct that a number of groups across the province object to this, for reasons that are certainly understandable, but I

am particularly surprised that Mr Sterling has entered into such vehement objection since he was a minister of the crown when the allocations of those funds were directed by his own government and never even approached the numbers that were received. Without making invidious comparisons, the honourable member is fair enough to know that during the last four years, we have made much larger allocations to recreation and culture than his government ever did. As I say, I am quite surprised that he would make this strong objection. I do not think, really, it is reasonable to expect that the resources—

Mr Sterling: Very different. Very different.

Since he is sort of expostulating, right from the very first year, as a matter of fact, the government did not use the revenues in the way that was indicated by the then minister in the establishment of the program. Therefore, this amount of money has been growing. Because of the interest of the people of Ontario in supporting the Ontario Lottery Corp, we know that the net revenues are now close to half a billion dollars.

It is true that our expenditure in the three ministries associated with recreation and cultural matters and the other approved expenditures have nonadministrative budgets that are close to that. I suppose it might be possible to have some sort of comparison in the allocation, but directly with the grants that are associated with the lotteries, the members are as clearly aware as I am that the expenditures have not used up those resources. As a matter of fact, in the last three years, the expenditures have been \$95 million, \$96 million, and this year, \$119 million.

Frankly, treasurers in the past have been quite unwilling to earmark resources in advance. The only bills that really have to be paid are the interest on the public debt. In recent years, I have made a commitment for education capital that the honourable members are aware of, but in most respects it is my view that the Legislature itself should determine, in support of the initiatives of the government or otherwise, how the money should be spent.

Since this is a special matter, it seemed to me that I could give assurances to those people, and to the honourable members, who feel somehow that I or my successors might have plans on this money to allocate it for something that is inappropriate or insupportable, that the allocation will not be less than what we have done this year. With the buoyancy of our economy, a fair and equitable tax system and a judicious allocation of our resources to the needs of the community, I hope and expect that it might very well be substantially more. I know, for example, that many of you are keen to fund the ballet-opera house. I do not want to stimulate you unduly, but that is out there as one of the possibilities.

I would just like to say to you, Mr Chairman, and I know that the Hansard record is here for all to use in the future, that I can make a commitment as Treasurer that for the next three years—I have told you what the commitment has been for the last three years—it will not be less than the \$119 million this year. If you would prefer to think of that as \$120 million over the next three years, that is a commitment I am putting before the honourable members willingly. I really expect that it will be more than that.

My own view is that with the needs that are already established, and with the principle of this bill that will extend the allocation to include the services and financing of our hospitals, we now have a package that the people



in support of our various lottery games would find appropriate. I ask the honourable members to give their consideration and support to the amendment.

Mr Farnan: Why am I not surprised? What I heard, the interaction I heard from the Treasurer with my colleague from the third party was: "But you did it." "No, you did it." "We did it." The money was not used for the designated purpose. I think the reality of the matter is that the people in Ontario do not care whether it was the Liberals or whether it was the Conservatives that used up that unallocated surplus that was designated for lotteries.

The reality of the matter is that it was designated. Will "be available for," I submit to the Treasurer, is very clearly a commitment. The reality of the matter is that the culture and recreation groups in Ontario were living in what was perceived to be a relationship of trust. That trust was broken. Many legitimate requests were not granted during a period when there were surpluses in the fund and the reason given was that there were insufficient funds available. It is no surprise that the culture and recreation groups would come back and request some form of guarantee.

The only thing you have done with your amendment—it is as though the hearings never took place. It is as though the message of 228 municipalities representing 7.5 million people, over 100 groups—it is as though those hearings never took place. Your response to this huge petition of the volunteers and professionals within culture and recreation is to say: "No, everything remains the same despite all of the good arguments you brought forward. We are going to move the appropriation of the funds from 1988 up to 1989."

It would appear to me that you knew from the word go that only you could change this bill. At any time over the last several weeks, I have argued that delegations appearing before the committee should be told—that is why I tabled the motions early—that this bill would not be changed and the government members on this committee would not be listening because they could not listen unless they got a direction from the Treasurer that a change would be forthcoming.

I submit to you that the change has never been in your mind, and because that change was never in your mind, the Liberal government members of this committee were straitjacketed. Although they heard what the delegations were saying, they were virtually deaf because they were incapable of responding in any way to that. This committee, by the judgement that the chairman has handed down, already is in a straitjacket. Why do we go through the exercise of spending taxpayers' money on these committees? Why do we ask these people to come forward and present briefs simply to be told there is to be no change and to be told, "Trust us, trust us"?

1440

I have suggested over and over again what is required at this stage. I would like the Treasurer to respond to this question because it is a theme that has come through to me. I do not think the volunteers and professionals who came before the committee were in rebellion against or at loggerheads with the government. What I felt was that there were people coming forward and saying: "We want to work in partnership with the government. You benefit from the thousands of volunteer hours, the billions of dollars in volunteer contributions, and we are asking you to give us a minimum guarantee."



In this section they are asking, not just for this government, but for the governments since the lotteries were initiated, to renew the trust. I want to come back to those unallocated lottery funds. Those funds were there. They were used. I do not care whether it was by the Conservatives or by the Liberals. Those moneys have been spent. If you want to renew the trust, the groups that appeared before us are asking for the \$400 million. My motion of course asks for all of the \$1.3 billion.

The way to build up trust for the future is to work in partnership. Obviously, with the nays and the maybes, the wording of this bill is just as ambiguous as the wording of the last bill. I think you have used the wording of the last bill. Apparently, it was clear to everybody who read it at the time that the money would be allocated to culture and recreation, but we have the same problem with the wording in this bill.

The reality of the matter is that I would ask the Treasurer, if he wants to renew trust with the culture and recreation groups, to put the \$400 million into a trust fund and not appropriate it, and to look at the future as a partnership, not just where the government has to be watched and cajoled but rather where the groups realize that there is going to be a very clear commitment.

The Chairman: Would you like the Treasurer to reply before I recognize Mrs Cunningham?

Mr Farnan: I think the Treasurer can wrap up. I am easy one way or the other.

Mrs Cunningham: It is wonderful to see the Treasurer at a committee meeting with the public present and to hear him speak in this way. I have not seen this since I have been elected, so it is just great to be here.

Hon R. F. Nixon: Likewise, I am sure.

Mr Callahan: Here comes the shot.

Mrs Cunningham: Having said that, when the Treasurer of this province speaks, he is listened to carefully by the public. Therefore, I would not want him to be recorded in Hansard as having given incorrect information according to the audited statements of the Wintario, Lottario and Instant game funds. So I did my homework. I did not expect to have an argument about these statements at all, but obviously it has been present throughout the committee hearings. I can see that if the Treasurer is making the statement, others would. I would be happy to hand in this statement I am reading from, but for the Treasurer's information, not be defensive, the first statement I would like to make is that there were years when the surplus from the Wintario, Lottario and Instant games was actually negative. As a matter of fact, the government spent more money than it took in.

Mr Reycraft: What was the—

Mrs Cunningham: The years were 1978-79 and 1979-80. The surplus was \$25 million, almost \$26 million one year, and some \$4 million that we did not even have. Therefore, I would just like to correct the record and say that I think that in the early years the intention was honoured. I am now talking about Wintario, Lottario and the Instant game revenues. I think the intention was honoured somewhat, to be fair, until probably the very early 1980s;

1980-81 to be exact. I do not want to give anyone any more credit than they deserve, so I am being kind and using that year.

I think afterwards there was a practice of only spending between, to be specific, 70 per cent to 81 per cent of the funds. That is where we have run into trouble. If you want to equal it out, the Conservatives and the Liberals were certainly responsible for an equal number of years over that period. But the truth of the matter is that in the early years, 90 per cent and even more than what we had was designated.

I do not think that is the issue any more. I think the real issue is—for me, it is a very simple one—that when people bought tickets, especially in the early years, they saw pictures of athletes, pictures of art galleries, and they thought that was where the money was going when they bought the ticket. I think that is sort of a simple message that young people and citizens of Ontario understand. The controversy in the beginning was whether to have a lottery at all. So I feel very strongly about this.

Section 9 has been there from the very beginning, the inception of this legislation. From the very beginning the money that came in as revenue from Wintario, Lottario and the Instant game—I am reminded by the public I represent—came under some pretty controversial circumstances about the issue of lotteries.

Therefore, I think we should be honouring the intent and using the surplus for the purpose it was meant for. I think that every year the money that is collected should be spent for the purpose the money was collected for. If we find ourselves in a surplus position, we should take that money and have a plan for the expenditure of it, or use the interest in the way the public has told us. They have come before the committee, and have spent literally months, and I think they have come up with a pretty good solution.

I think the problem the government has is that maybe the money is not there any more. I do not know that. My suspicion would be that it appears on paper, and that it is not there. If it is there, wonderful; we do not really have a problem. We can use the interest on the money in the way the public has suggested. I really think we are setting a terrible example to people who have been buying these tickets since the very inception of lotteries in Ontario if we do not spend the money, if at the whim of any government that is in power, we can just change the rules 10 or 12 years later, with the money already spent.

If we change the rules before people buy tickets, then we are subject to their criticism for those reasons and they do not have to elect us. I feel very strongly about this point. I certainly do not have a problem with the date; I have a problem with the intent. I know there will be an amendment to change the intent of section 2, but I just wanted to correct the record—in good humour, I should say.

I think we are sending a very strong message out with whatever we do with a surplus that was collected for a specific reason. The message will go to young people across this province, because basically, those are the people who have benefited from it, and those are the children of the parents who worked hard to set up the arenas, to set up the theatres, to work hard in their libraries and museums and to start things that we should be really very proud of in this province. I will end on that note.

Mr Callahan: I just want to respond to the question Mr Farnan raised. I take great umbrage that we were not listening to the people who came before this committee. If you go back to the gentleman, Robert Johnston, who was; I suppose, leading the alliance, I put the question to him yesterday. We quite understand what they are trying to do and I think it is admirable on their part. They want a plan. They want to have some figures so they can plan.

I put the question to him that we have heard a third, we have heard in fact 50 per cent from Don Gordon in my riding, but what he said was \$150 million. Now the Treasurer has made a commitment of \$120 million for three years. That allows these people to plan. As I understand it, that was the major reason, plus the fact that, because of the history of what had gone on before by the former Conservative government, they had concerns.

If you look at the history that was drawn out during the discussions, I think, the history of our government since 1985, there have been a significant amount of funds allocated.

1450

Mr Farnan: That is nonsense.

The Chairman: Mr Callahan has the floor.

Mr Callahan: Look at the facts that were filed here. I know that the New Democratic Party would like to just take all the glory and give away the barn. I think, though, that we listened attentively to the people who came before us and we have achieved, I hope, their major purpose. They wanted to be able to plan for a period other than one year. They wanted a guarantee and they now have it from the Treasurer. I think perhaps the matter has come a long way.

Mrs Cunningham makes the comment, "Why not ensconce it in legislation?" I made the point to some of those groups, and I think Mr Johnston agreed with me, that if lotteries for some reason happen to fall off and you are given a third in a statutory statement, some government could be cynical enough as well to say to you, "That is all you get." I think he recognized that.

Mrs Cunningham: Mr Chairman, on a point of order: I was not speaking to section 1 when I made my comments. I was speaking to the Treasurer's motion. I very clearly did not speak to that section; I have things to say about it. I was speaking to the Treasurer's motion only. What we are hearing now from Mr Callahan is all section 1 debate.

Mr Callahan: I thought you were referring to section 1.

Mrs Cunningham: Not at all. I am very specific about knowing what is on the floor at this point.

The Chairman: I think your point of order is well made at this point. Because of the limitation of time, Mr Callahan, if you would address your comments to section 2.

Mr Callahan: Just finally, I would say that Mr Johnston agreed that that was a point they had not considered and in fact, from about the second delegation on, they started talking about a minimum of a third because they recognized that they could get themselves locked in. I would say that argument still exists.



Bingo games are becoming very popular in my riding—I think they are throughout this province—and if they in fact start eating away because people cannot win the \$7 million by playing one buck, then you may very well find that that would be a very dangerous situation to be in.

Ms Bryden: Speaking to the Treasurer's motion, he said that next year's allocation, or the one for 1989-90, would not be less than \$120 million approximately, but he did not amend section 2 by putting any guarantee that there would be even that pittance for recreation, culture, sports and fitness. There is no guarantee yet in this bill and there are no guidelines in this bill as to how the Treasurer will decide among all the competing groups.

I think it is an insult to suggest that \$120 million for 1989-90 answers the pleas we have heard from over 100 groups and people who came to tell us that they are living in a state of penury. For many of them, when they apply for grants, the word comes back, "There is no money." Many of them need grants from the Ontario Arts Council and the word comes back, "There is no more money." Many of them need grants for new activities.

We now have a dance company that is working with actors in prisons and producing a great deal of rehabilitation outlook; we have video companies, and we have new kinds of culture that are being left to compete with the more traditional ones. They cannot compete in the market when the market is so low and the amount of money that is available for recreation and culture is so slight.

We are not looking to the future and we are spending lottery grants inefficiently, because they do not have enough money for automating and for new, more efficient methods of marketing. All those things are being denied by the present answer; that because a lot of money has been allocated to a fund, there is no money available.

If that money is going to go to hospitals, which apparently section 2 envisages, then you are putting into a very big pot a very small amount of money out of the lottery fund, about one per cent of total hospital health costs in the last year, and that will not do anything to solve our great, serious health problems. It will just give the Treasurer a little more money in his budget, and he will not have to put as much money into the hospital budget or the health budget.

It is simply ludicrous to take the pittance that is coming into the lotteries and try to use it for a huge hospital budget, instead of redirecting our delivery of health services more efficiently and getting at the problem that way. So I really feel that the Treasurer should come to us with some sort of guarantee, and that is what people are expecting. As my colleague said, they are saying that we do not trust the government, because in the past it has taken away some of the money that came in for even the traditional lotteries, it has not allocated it, and we know that could happen again to the entire amount that is coming in. That is why we feel this bill is so defective.

Mr Sterling: Speaking of section 2, I think it is important to point out what we are really talking about here. We are not talking about \$120 million a year; we are talking about what the Attorney General evidently has determined these groups are entitled to. Under our existing legislation, the groups are entitled to all of the profits of all of the lotteries, according to, I understand, an opinion that the Attorney General had done for him in 1976.

What the groups have come here and said is, "We would like one third of

what we are entitled to that has not been dedicated to date," which is saying that they do not expect the two thirds and therefore would like, I believe, \$360 to \$400 million, which is approximately what the addition of all of the unallocated amounts is in terms of the three lotteries that are there.

As my colleague has said, we are going back instead of going forward. It is not surprising in that the Treasurer, in February 1975, when debating the original Ontario Lottery Corporation Act, said that he believed that the earmarking of revenues was a bad practice.

Hon R. F. Nixon: Ms Bryden said something like that.

Mr Sterling: That is what he is getting down to at this stage of the game. The fact of the matter is, Treasurer, as pressures rise and as more and more of your budget is eaten up by the social agency part of any government, the government of Ontario, there will be less and less opportunity for the groups that want to invest in the future of Ontario to get their hands on dollars. Quite frankly, even during the tough years of 1980, 1981, 1982 and 1983, when government revenues were not growing by 10 per cent, as you have been graced with over the past four or five years, and the revenues of the government of the day were growing at less than half of that, the grants were comparable to what your government has given over the last four years. That showed in the facts that Mrs Cunningham put forward.

The reason they were able to sustain a fair level of granting during those years, somewhere around 70 per cent of what was being taken in, is that the ministers of culture and recreation had a hook on the Treasurer and on the cabinet. They could come into the cabinet and say to the Treasurer, "Well, it is all nice and dandy that you have flexibility with regard to other things, but in our case, there is a dedicated revenue in a statute which says you have to allocate this money, either now or in the future, and people are going to ask questions if it is not allocated some time in the future or now."

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What you are doing is taking that hook away and you are taking away the opportunity for groups—as some of them expressed this morning, I thought very, very well—you are taking away the whole opportunity for groups who want to invest in the future. What you are inviting, Treasurer, in my humble opinion, is the ability for the servicing end, the reactive end of government to eat up all of your budget and all of the lottery proceeds. I believe that this will happen if our economy cools down, be it next year or be it 10 years from now. Again, the first groups to suffer will be the recreation and culture groups, and it will be because of what you have done in Bill 119.

Mr Farnan: If I could have one question I would like to ask the Treasurer, it will be very short. Basically, I have asked it before to the committee. Many people out there are asking it. They feel that this bill legalizes the theft of moneys that were designated for culture and recreation. Would the Treasurer please respond to that perception?

The Chairman: I have to observe, as the chair, that we have ruled that as unparliamentary language a number of times—

Mr Farnan: Misappropriation, or whatever you would like to call it, is not there any more.

The Chairman: I am just acknowledging that it is unparliamentary, that is all.



Hon R. F. Nixon: I appreciate the fact that the committee is understanding about my time schedule. I know the committee members are busy also. I do have a delegation that will be there at 3 pm and I know they will understand if I am a few minutes late. That is the way it is going to be.

Mr Farnan began by talking about the necessity for the government, in particular the Treasurer, to re-establish trust, which I thought was acceptable. Then he put the cherry on top of that—and I do not intend to try to respond to his latter comment. I believe that the taxpayers and the residents of Ontario trust the politicians in all parties, and there is no reason to believe that they do not trust the members of the government in that respect.

I think the honourable members will be aware that through their own efforts, whatever party they support, and from the government, both now and in the past, whether or not the full revenues from the lotteries were spent in arenas and other supporting facilities and in cultural events, we are well provided for in this province.

There is not a community in the extensively rural area that I represent, Brant-Haldimand, which does not have good local facilities. I do not know any community that would not very properly like them improved and expanded, and they are being expanded on average at the rate of \$100 million a year, which is a substantial support and which I have indicated should average, over the next three years, \$120 million a year.

I am sure that most of the people who have appeared before the committee would like that to be increased, but the honourable members know that there are tremendous pressures on all of us, and particularly on the Treasurer, for allocations to other extremely worthy purposes which are also seen to be insufficiently funded, and there are many of those.

So it is a matter of judgement, and I do not believe trust enters into it. The government is elected to apply its judgement and stand—or, God forbid, fall—on the people's view of those decisions. So I am not too concerned about that particular complexion put on the issue.

I appreciate the comments from Mrs Cunningham. I know that she wanted to be sure that the multitudinous readers of Hansard would know not only of her good preparation, but also as usual of her good humour in dealing with these issues. On that basis, she would probably understand when I say that in the years which she holds up as creditable ones for the party that she now supports, the cumulative unexpended balance was, in the first year, \$59 million and in the second, \$56 million. So there is plenty more money that could have been spent if the government of the day had felt that this was a total appropriation.

By the same token, Mr Sterling indicated that in his days in government, the culture and recreation ministers, in the area of that responsibility, would come in and arm-wrestle the Treasurer and say, "You owe us this money, so you had better spend it." In those days, there were the ones he refers to, unexpended surpluses in each instance of well over \$200 million not spent; in fact, in the last year of the Progressive Conservative government, an unexpended surplus of \$241 million. So that gets back to Mr Farnan's comment of "a pox on both your houses."

Also, I suppose it appeals to the reasonableness of taxpayers and citizens that \$500 million a year, as it now would, might be seen to be a bit



much to be applied in this particular area of public concern, however important. Also, the point is that many of these organizations have scaled down from that to another formula involving one third plus interest allocations, which is quite reasonable.

Unfortunately, as Treasurer, I cannot accept it, because I still believe it is a commitment larger than I am prepared to make for this foreseeable future. However, I do believe that the \$120 million is a commitment, even though it is not ensconced in the wording of this bill.

I think that Ms Bryden would understand it, since the Treasurer representing the government has made that commitment to this committee and it is duly noted that we would consider it a commitment of expenditure for the government.

To tell you the truth, I feel a little—"apprehensive" is not quite the right word, but let's say apprehensive—about making that commitment, because it is true that in the debates in 1975, I stated—as Leader of the Opposition, was it? I do not know. Maybe I was just being phased out at that stage—that the money should not be allocated, but should be left to the wisdom of the elected members of the Legislature. Whether it should be spent on recreation, culture or health services or whatever, the elected members of the Legislature decided.

It seems to me that is the way democracy is supposed to work. The one exception is the interest on our provincial debt, which I believe has to be paid before we do anything else. So we have a difference of opinion here and I hope there is a sort of mutual understanding about what this is—

Ms Bryden: You cannot plan on commitments.

Hon R. F. Nixon: Well, you can plan on \$120 million a year minimum. I think that most of the people doing the planning would probably feel that they could accept that as a commitment. But I appreciate the work the committee has done and I regret that I have not been able to take a fuller part in the hearings. I really regret now that the big, busy, important Treasurer has got to bustle off and do other things, because what you are doing is important. But I was informed very properly that the amendment which is necessary involves the expenditure of money and can only be placed by a minister.

It could have been done in the Legislature. No doubt the committee will have further review in the Legislature. I hope it is not so extensive that we cannot get on with this and other work. But I felt that it was appropriate to do it here with you people who have done the work on the committee, and that is why I am glad to be here, however short the time is, so—

The Chairman: One brief question.

Ms Bryden: If you were advised that you do need the Lieutenant Governor's approval, why was none obtained for the bill in 1974 that introduced the allocation from the lotteries?

Hon R. F. Nixon: I cannot answer that. Maybe the government was inadequately advised.

The Chairman: What I propose to do, with the concurrence of the committee, is to call the amendment to section 2. I am not calling section 2,

because we stood down section 1. We will go back to section 1 and then progress through, because of the proposed further amendment to section 2. Are you ready for the amendment?

Mr Sterling: Could I ask for a clarification of what the Treasurer has said? He said that the surpluses were over \$200 million in some of the years during the Tory administration.

Hon R. F. Nixon: Cumulative surpluses.

Mr Sterling: You are talking about some of the lottery—

Mrs Cunningham: We are talking section 9 here.

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Mr Sterling: And you knew section 9 was interpreted by everybody at that time as the interprovincial lottery.

Hon R. F. Nixon: Well, look, if it is any help, I think that what Mrs Cunningham said was correct. In those two years, the government spent more in the lotteries than it took in for those two years: It spent \$72 million in 1966. But it is also true, according to the information that is correct, that the cumulative surpluses have from the start been positive.

Mrs Cunningham: And equal over the years: between 70 and 80 per cent has been spent by all governments.

Hon R. F. Nixon: Okay. That is fine.

Mrs Cunningham: You are not arguing that. I am not arguing that.

Hon R. F. Nixon: No. There is no problem there.

Mrs Cunningham: Since 1981, I said.

Mr Sterling: The Treasurer uses these statistics —

Hon R. F. Nixon: To defend himself.

Mr Sterling: —without any regard to what is really at issue.

The Chairman: May I call the amendment to section 2?

Mrs Cunningham: Can I ask a question on process here?

It would be silly not to support the Treasurer's amendment for the date. That would be irresponsible not to do that.

The Chairman: That is all it is.

Mrs Cunningham: And we are not going to win anyway. If we had a more democratic process in here from time to time, we could hope to win.

Hon R. F. Nixon: Do you mean if you had 10 votes or something like that?

Mrs Cunningham: If I had 10 votes, it would be more democratic.

Right on. You've got the picture. Imagine him thinking that one up himself.

Afterwards, we have another amendment to it, do we not, which will be the one the public has requested. The only reason I am supporting this one is that it makes good sense.

The Chairman: We have another proposed amendment to section 2.

This is strictly the amendment that changes 1988 to 1989.

Mrs Cunningham: That is right.

Motion agreed to.

Mrs Cunningham: You are leaving before the good stuff. That is a sign of courage.

Mr Farnan: Anyway, he has left instructions.

The Chairman: In temporarily setting aside section 1, we decided we would go back to it; so we will now go back to section 1. I had ruled the proposed amendment by Mr Farnan out of order, but Mr Sterling had also proposed an amendment which I would like to have read into the record or given to us in writing.

Mr Sterling: Could I just ask you, in terms of your ruling against Mr Farnan, what you mean by your words as such? You are saying that his amendment is not in order because—

The Chairman: We talked about this type of bill and right at the beginning of the hearings, we determined that it definitely is a money bill. Money bills may be amended and there was circulated to the entire committee the two fairly modest amendments to the original bill when it was passed back in 1974. But at that time, on the basis of the advice that I had received as chair, I indicated that if you propose to put amendments, you should really have them checked by legislative counsel and others, whoever advises you, to make sure that they do not instruct a minister on the expenditure of money, because only a minister can do that.

Mr Sterling: So it is the instruction to a minister to expend money that you object to.

The Chairman: Yes.

Mr Sterling: Can I introduce my amendment?

Mr Farnan: I asked if I could speak to that.

The Chairman: My advice also is that when I rule an amendment out of order, it cannot be talked to; so your comments are going to have to be made when we address section 1. If you will wait a couple of minutes to do that, it will be the same effective thing. You can say what you want about section 1 because the amendment had to do with section 1.

Mr Farnan: Okay.

The Chairman: You cannot do it as an add-in to my ruling.



I guess we had better pass more—

Mr Sterling moves that section 1 of the bill be amended by deleting everything after "therefor" in line 3 and substituting the following:

"9(1) A minimum of 35 per cent of the net profits of the corporation after provision of prizes and the payment of expenses of operation, shall be paid at such times in such manner as the Lieutenant Governor in Council may direct to an independent, nonprofit foundation to be established with the object of promoting and developing physical fitness, sports, recreation and cultural activities and facilities therefor;

"(2) In any fiscal year, after provision is made for the cumulative profits pursuant to section 9(1), net profits not so expended shall be paid into the consolidated revenue fund at such times and in such manner as the Lieutenant Governor in Council may direct, and shall be available for appropriation by the Legislature for the financing of a health care, manpower and capital development fund to be administered by the Ministry of Health with the advice and direction of the Premier's Council on Health Strategy and will be so accounted for in the public accounts of Ontario."

Mr Callahan: You talk about "after therefor"—are you talking about the "therefor" after clause 9(a)?

Mr Fleet: If I understand the motion, Mr Sterling, you are replacing in essence the heart of the bill. You are rewriting that section?

Mr Sterling: I am saying, where profits of the corporation are going, the profits of the corporation go first to the foundation and then to the consolidated revenue fund. Therefore the minister does not have any control over the funds and therefore I believe it is within the standing orders to put forward that kind of a motion.

Mr Fleet: Well, I then have a point of order—

The Chairman: I am not sure you require one, because we have had time to read—meaning me—for a ruling, and I will be ruling the motion out of order for exactly the same reason as the first one was. If you still want your point of order—

Mr Fleet: No, I think you took the words out of my mouth.

The Chairman: I have had very clear advice on this from a variety of sources, Mr Sterling, and in my opinion you are directing a minister on expenditure.

Mr Sterling: How am I directing? I am directing the foundation; I am not talking to a minister at all. He does not have the money.

Mr Fleet: I have an alternative point of order if you want, Mr Chairman. I will leave it to you whether you want it or not.

The Chairman: The effect of directing it through the Lieutenant Governor in Council, I am advised, is the same effect, so—

Ms Bryden: I would like to ask: In your consultation with legislative counsel, did you make the point that an allocation of money is different from an earmarking of a specific amount of money which is for

government expenditure? Really, the original act simply allocated the proceeds to fitness and sport; it did not provide for the spending of X number of dollars. This is all that is being done by these amendments, too: that a certain amount should be allocated to certain things. It is not a money bill.

The Chairman: I think it would be beneficial if I read section 15, because this is the section that everybody is looking to and giving advice on. Section 15 of the standing orders says, "Any bill, resolution, motion or address, the passage of which would impose a tax or specifically direct the allocation of public funds, shall not be passed by the House unless recommended by a message from the Lieutenant Governor, and shall be proposed only by a minister of the Crown."

Mr Laughren: Can I have a clarification on that new ruling? When you made it, did you take into consideration the maturity of the person who moved the amendment?

The Chairman: I certainly did. You always do that.

Mr Laughren: Okay.

Mr Fleet: Glad to be able to satisfy you on that.

Ms Bryden: Are these the new standing orders you are talking about?

The Chairman: These are the ones we are operating under.

Ms Bryden: I understand the new ones are not in effect until—

The Chairman: That is correct. Sorry, I did not realize what you meant by the new ones. I guess we are going to be getting some more new ones.

Mr Sterling: Your argument then, Mr Chairman, is that Hydro's funds are public funds. Is that correct?

The Chairman: It has nothing to do with Hydro's funds and I am not going to make a judgement on that; all I am doing is making a ruling on this, and it is not debatable. I have allowed a few points of clarification here, but —

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Mr Farnan: You already ruled debate out of order on the first motion. If you are ruling it out on this motion, let's get on with it and then we can bring up the points in the debate.

The Chairman: Exactly. Those were the only two amendments that I was advised of, when I called for them earlier on. So what we are doing now is we are calling for comment on section 1. Mr Farnan.

Mr Farnan: First of all, in looking at section 1, and I think it is important that—you seem to indicate that this was the appropriate time for me to raise questions as to your decision in placing my motion out of order. I am just going to speak very briefly to that.

The motion that I placed before you and the one that I presume my colleague Mr Sterling also placed before you, I do not believe really directs funds, because actually the old act already directed all of the funds to

culture and recreation, whereas these amendments are saying, "You do not have to direct all of those funds to culture and recreation; in fact, you can just leave a third of the funds there and do whatever you like with the rest of the funds." Indeed, that appears to me to be saying to the Treasurer, "Although your hands were tied in the past—because all of the funds will be available for culture and recreation—the amendments that we were putting forward were simply saying it will be only one third of the funds or a minimum of a third of the funds."

So to me, I cannot understand the judgement. I think the judgement is out of line. However, I am a pragmatist and I understand the system. I believe that the system was in place from the word go; that this committee was indeed a sham. Coming down the stretch here, what we have is: we have had an opportunity to give the appearance of the democratic process; we have given an opportunity for groups to allow some steam to be let off, but the bottom line is that not one iota has changed after the hundreds of delegations that have appeared before us. I want to review some of the arguments that were made and why we should be looking at a designation for culture and recreation.

It is very clear, from all of the groups that we have heard, that society is enriched by arts, culture, recreation, the quality of our life and volunteerism. I am just going to review a couple of the statements that were presented to the committee.

"Recreational and cultural activities are an essential component of the high quality of life which we enjoy in Ontario. These activities promote the wellbeing of all...." Margaret Wade Labarge, of the Council on Aging.

"There is no question that recreation opportunities enhance quality of life in a community and contribute significantly to the health and wellbeing of participants." Doris Haist, director of recreation, York region.

"Recreation involves all age groups, from the preschool child to the elderly citizen...and for the family whose life is enriched when its leisure hours are filled with meaningful pursuits." Donald Gordon, commissioner community services, city of Brampton.

And they go on. A very strong case was made that culture and recreation are indeed part of a preventive health care system.

"A disappearance or further erosion of support for sport and recreation organizations will lead to a less healthier population and skyrocketing health costs." Lee Batstone, president of Northwestern Ontario Sports Council.

"Recreation, sport and fitness have proven to be the most effective preventive measures available to reduce health care costs." Margaret Thomson, manager of parks and recreation, Thunder Bay.

"I frankly think that the arts, symphony orchestras as well as the dance groups and everything else, are just part of the balance of life that we all need to make our communities viable, to attract business, to attract industry." Douglas Block, president of the Kitchener-Waterloo Symphony.

"A more physically active society produces greater ability by older adults to live independently in their communities, reducing the cost of geriatric care, and produces a reduction in the number of doctors' visits as well as less prescription drug requirements." Rhea Shulman, member of the board of directors, Older Adult Centres Association.



We heard not only a need for those programs that are already in existence, but we heard a need and a demand to fund those new and expanding programs.

"If you consider that leisure time involves activities not only for most of us but also for senior citizens and for youth, we are probably talking about supporting the activities that most of us spend the majority of our lives doing." Robert D. Johnston, chairman of the Alliance to Protect Culture, Recreation, Sports and Fitness in Ontario.

"There is no shortage of ideas for the money; no scarcity of need. The surplus that has built up is due to underspending of budgeted funds." Wayne Burnett, Downsview, Ontario.

"No one is denying the importance of hospitals and their need for additional funding, but should it be at the expense of Canadian culture?" Robert Freeman, director and curator of the Gallery/Stratford.

"I believe that older people are extremely well organized in this province...they are really mobilized, and they will act as soon as the government...slips a little bit off where it should be... I think the governments have to listen." Rhea Shulman, member of the board of directors, Older Adult Centres Association.

There is no question that this committee has established, I think, beyond any shadow of a doubt, that culture and recreation increases the quality of and enriches our lives; that it is indeed part of a preventive health care system; and that there is an absolute need for the government to respond generously to the growing demands in this area.

It is also very clear to me that there is a perception out in Ontario, right across this province, that the government should be aware of. That is the perception of a broken trust. To the volunteer who is out coaching kids on the ice rink in Cambridge, it does not matter whether it is the Liberals or the Conservatives who took off with the funds; the reality of the matter is, those volunteers were told that this money was to be designated for culture and recreation. The tickets had pictures of sportsmen and orchestras and artists and hockey players, and clearly identified the purpose for which the tickets were being sold. That was clearly the intent at the time. As the Wintario roadshow passed across Ontario from one community to another, governments demonstrated that the local arena was being put up as a result of lottery dollars. It was very clear that those funds were intended for culture and recreation.

There is a feeling of betrayal. "...strongly objects to the wording of Bill 119 and urges the provincial government to retract this piece of legislation or amend it in such a way as to guarantee the future funding of culture and recreation." The Association of Municipalities of Ontario, representing 700 municipalities.

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"Can the Premier be trusted to live up to this commitment of funds for recreation? Apparently not," said John W. Gates, manager, parks and recreation, Thunder Bay. John Gates again: "If Bill 119 is passed, many of the statements/goals as proclaimed in the 1989 throne speech become nothing more than words. The government is not fully committed to pursuing healthy lifestyles, safe communities and a promising future for our children."

"If this government is committed to sport and recreation it will withdraw Bill 119... Failure to do so is a betrayal of a promise made to us in 1974." Hockey Development Centre Ontario.

When I look at this particular bill, I ask myself the question, does it improve the situation that sports, culture and recreation groups find themselves in or does it make it worse? I come to the conclusion that it makes it worse, and that is the reason we had over 100 groups before us. That is the reason there was an alliance. That is the reason there was a massive amount of energy focused on this committee, in an effort to get across just how deeply felt the commitment was to have this bill rejected or at least amended in such a way that culture and recreation could live with it.

In retrospect, the wording of the previous bill was not the clearest, and the previous act, when it said the moneys will "be available for" culture and recreation—I think any fair individual would have made the presumption that when you say something will be available to you, you mean it will be available to you. It does not mean it will disappear. It does not mean that if you do not take it straight away, somehow you have lost your right to it. It does not mean that if all of those funds are not allocated in one year, somehow or other the designation is taken off.

There is no wording in the act that suggests that if the funds are not used in any particular year, then a different designation kicks in. The sports and cultural groups, having been burnt with the loose wording, what is presumed to be loose wording now—at that time I am sure they felt it was a good guarantee—they have come to the wording that is contained in this act, and the wording contained in section 9, I believe, gives culture and recreation less protection.

Section 9 says that "after provision for prizes and the payment of expenses of operations," the net profits of the corporation "shall be paid into the consolidated revenue fund." That is great. That is very firm. The money will go into consolidated revenue. It shall go in there.

However, in the qualifying clauses and the following clauses, it says that "the Lieutenant Governor in Council may direct, to be available for appropriation by the Legislature," etc, may direct for culture, recreation and sports and fitness. It may direct these funds, and that is not good enough. It is not good enough. Then it goes on to say that the remainder shall be directed to hospitals.

The language is as loose as or looser than in the previous legislation. There is no guarantee with this language of any minimum requirement being spent on culture and recreation. As my colleague the member for Beaches-Woodbine (Ms Bryden) pointed out when she addressed the Treasurer during the interaction this afternoon, his commitments at this committee are not in the bill. His commitments in this committee of \$120 million are inadequate.

It is too bad the Treasurer was not here. He has admitted to us today that he was extraordinarily busy. Maybe he gets the flash points from the parliamentary assistant, but the Treasurer should have heard what was said during these committee hearings. The Minister of Health (Mrs Caplan) should have heard what was said at these committee hearings. Indeed, the cabinet should have heard, because I think a solution to our health care system was contained in many of the briefs that we heard.



Not only do we have loose wording in section 9; we also have very clearly pitted culture and recreation against hospitals. We have heard time and time again from groups, one after the other, that they do not want to have to justify the funding for their heritage organization, or their library, their museum, their dance, their theatre, their sports, their seniors' recreation, youth groups, neighbourhood associations, against hospitals. No matter what you say, that is going to be the justification when patients have to move across the province for medical care. Medical care is too important and too basic a program in a socially conscious society to be put at the whim of lotteries.

I think it is also important to say at this stage that it is a clever move on the part of the government, because putting in the word "hospitals" here really puts culture and recreation behind the eight ball. Who is going to argue with the government saying, "Giving money to hospitals: Isn't that a good thing?" It is a good thing and culture and recreation groups have agreed that it would be a good thing. Indeed, the recommendation they have put forward simply suggests that one third of the designation go to culture and recreation and that two thirds may go to other areas.

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Finally, I want to say this. I said it in Ottawa earlier in the week. I said it in Toronto several weeks ago and I have known it, I believe, from the beginning. I have never seen one Liberal member of this committee who was not taking anything other than a defensive position on this bill. I have never heard one member of the government party on this committee, not one, identify with the basic premises that were being presented by the culture and recreation community.

No one identified with the idea that there had to be a guarantee; not at all. No one identified with that. No one identified with the idea of putting the funds into a trust. Indeed, the opposite is true. In fact, most of the government members spent their time telling the delegations that this was a notional fund, that it did not exist any more, that the money was gone, that the money was spent.

Mr Fleet: It's the truth. It's true.

Mr Farnan: Absolutely, and when I suggested to you who took the money, and the perception of many of the groups is that the government took the money—of course, it is unparliamentary language to suggest that it was stolen by the government, but the people out there—I can tell you, the people in Cambridge are very simple, clear-minded, commonsense people. They know that if money is there and it is not there any more and someone took it, that money is stolen. If you are saying the government did not steal it, then they want to know where the money went and who stole the money. That is the reality.

The Chairman: Can I interject for a moment here as chairman. I would just like to observe again that this language has been ruled to be unparliamentary a number of times.

Mr Farnan: I have been very careful not to make that accusation.

The Chairman: I would rather you did not use that kind of terminology. If you want to keep on using it—

Mr Farnan: Absolutely. I agree with you wholeheartedly. I heard your



judgement. You advised me not to make an accusation that the money was stolen. I have been careful not to make that accusation personally. All I can say to you is that the good people of Cambridge believe that the money has been stolen and that the only way to make recompense, in their view, is to put that money back into a trust fund. Then I think you will have repaid to culture and recreation the wrongs that have been done against them, because that money was clearly identified and clearly earmarked for culture and recreation in 1974.

In summing up, it has been clear all along that this government was in a straitjacket. It has been clear that the Treasurer had no intention of changing this legislation. It has been clear that it has been a waste of time for groups to come before this committee, because the basic premises of a minimum of one third and the trust fund—I tabled it with this committee over two weeks ago, and I am assured they went straight to the Treasurer. For over two weeks then, I presume the Treasurer has had that information and did not have the courtesy to come to this committee and say: "Look, I have no intention of making those changes. People can go on making those suggestions."

We knew that is what each group was going to come along and do. In other words, the government was prepared to go along with what is a sham, a waste of our time, a waste of the groups' time and a waste of taxpayers' money.

Several times—Mr Callahan will agree with me on this, I do not doubt—we heard groups ask, "Will the government listen?" I would have to say that in the last three or four days it got down almost to an appeal from groups, and the appeal was: "Let's go into a partnership of trust. Let's build a new covenant." So okay, the water is under the bridge and not too much can be done about it. Nobody care. Let's accept the fact that we are not going to put back the \$400 million or the government is not going to put back the \$400 million." But I think the groups were saying to us, "Let's start off afresh." This act is not the act on which you build up a relationship of trust. This act is an act of smoke and mirrors. It represents worse legislation than what it is replacing.

That sums up my views on this, basically. As you have gathered, Mr Chairman, I will not be supporting this particular section of the bill, or any other section for that matter.

Mrs Cunningham: In speaking to this bill, I can only say that for me personally this has been a very disappointing process, and it is not one the government should be proud of. I think that if the government had just proceeded months ago it would have been more fair to the public, because of their time and interest, and it certainly would have been more responsible, because of cost. We are facing now, I think, a total lack of trust in the process under which this government operates.

Our party finds that this bill is deficient in a number of respects, and as you saw, Mr Chairman, we made amendments to alleviate at least some of the deficiencies. They were unacceptable to the government. The bill for a number of reasons is a fine example of the sorry way, as I stated, that the government conducts public business for the province, and I say that seriously.

First, it illustrates how this government has consistently fumbled its own legislative agenda. Bill 119 received first reading on 25 April 1988 and it is a 1988 budget bill. It is only now, 18 months later, with no intent for change, one budget later and halfway through the 1989 fiscal year, that any substantive work is being done on the bill. For about a year and a half, the government has kept arts, cultural, fitness, sports and recreation groups

hanging fire while this bill, which deals directly with the future funding of these groups, was mired in the Liberal legislative arena.

Mr Reycraft: Who wrote this?

Mrs Cunningham: I wrote it. And second—

Mr Sterling: I was reading your statement earlier?

Mrs Cunningham: No. Second—

Mr Sterling: It is verbatim.

Mrs Cunningham: That is true. Second, the government obviously had no intention of making any changes. The public, I think, as I stated in the beginning, put a lot of energy into coming before this committee, and it became obvious during the hearings that we again were in the process of facing what the government refers to, quite correctly, as a money bill, and therefore our only hope was that over a period of time—I must say I encourage groups to appear before the committee—a cabinet minister would propose changes based on the input.

When the standing committee on the administration of justice was considering the Sunday shopping legislation, we faced the same dilemma in many ways. A number of times when some of us tried to make amendments we were told that certain amendments were out of order because of section 15.

I can only say that the only hope we have now is that some of the members of this committee who have spoken favourably and supported the public will get to other cabinet ministers so that at least it looks like some members of the Liberal government are listening to the public and that there is some support within the elected Liberal membership of the government via some cabinet minister. Then we can have an honest public debate in the Legislature and those of you who support the original intent of the bill and the groups that have come before the committee will have your opportunity to say so.

It has been obvious to me that there is support within the Liberal ranks. In spite of being somewhat defensive about how the money has been spent and in spite of some rather humorous arguments about numbers, I think we all agree that the intent of those lottery funds, those three funds, was to spend them just on what we have all been talking about: recreation, fitness and sports. I think that is still the intent when people buy those tickets. It no longer will be, and I think that is exactly what the government will have to tell the public.

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Mr Lupusella: That is why they are playing.

Mrs Cunningham: Well, it is a good reason not to. The statement was made that some people do not buy the tickets because the money is not going for fitness, recreation and sport, and I think that—

Mr Lupusella: I did not say that.

Mrs Cunningham: I think that is fair, if that is the case. When you are buying tickets, you ought to know where the money is going.

I think the winner here is not the health care system, because there is no promise by this government that the budget will be increased directly in relation to the amount of money that has been taken in for Wintario, Lottario and the interprovincial games. Today we heard the Treasurer talk about his intent to allocate \$120 million of the revenues to the original intent, and that was culture, recreation and sports.

I would challenge you, Mr Chairman, in your discussions with the Treasurer and cabinet that if that is the intent, I would say that it should be an amendment put forth by the government. If it is not, I would not blame the public for having a very long memory not only over Sunday shopping but over the results of these hearings. Correct me if I am wrong: I did not see anybody come in favour of this legislation before this committee.

The Chairman: You were not in attendance when they came, but there was.

Mrs Cunningham: Was there one? So we are looking at, what, 97 per cent as opposed to 92 per cent of the Sunday shopping.

Mr Faubert: About three.

Mrs Cunningham: Three. So we are still looking at well over 90 per cent of the public objecting to a piece of legislation. Would that be correct, Mr Chairman?

Mr Faubert: No. They disagreed—

The Chairman: I am not going to comment on it as to correctness or not, if you do not mind. I am supposed to just set the record—

Mrs Cunningham: Well, I will be challenged and I will make the statement anyway. My colleague certainly added up the numbers and said that well over 90 per cent—

The Chairman: My difficulty is that some of the groups that came were not absolutely opposed or absolutely in favour. There was a lot of positive comment in there.

Mrs Cunningham: Yes, but they came.

The Chairman: I do not like to classify them that way.

Mrs Cunningham: They came and they said, "We need at least as much money as we have had in the past," and that you should have spent all of the money, from the brief that I read.

So I guess the bottom line for us right now is: There has been a total lack of confidence in the process of the government. You cannot come and make these kinds of presentations from long distances over a long period of time and see absolutely no amendments to a piece of legislation. An incredible base of knowledge and information was presented to this committee, and I think many of us learned new things about how that money was spent. There is a total lack of confidence, I would say, in the process.

The other part, I think, that you, Mr Chairman, and some of the members too should take to your Liberal colleagues is that all of us heard that even the money that was spent was not spent as wisely, in the view of the public,



as it could have been. For some of us it was the first time that some of the issues were raised, and we will, to the best of our ability, pursue those questions. They were certainly brought to my attention more recently during the hearings than they were before.

So I can just say that it is with disappointment that we have to speak to this bill. I think that the real losers will be the hundreds of thousands of volunteers out there who work so hard on behalf of the citizens of Ontario to provide culture and recreational activities for young people and seniors and the free volunteer hours that go.

The very little support we have been able to give them through lottery funds has not been significant enough, and now very clearly we will taking money from the pot, as the Treasurer stated today, and putting it elsewhere, which may or may not influence the quality of health care or even the amount of money that is being spent on health care in this province. On that note I shall conclude at least my comments with regard to our party's position on the bill.

Mr Callahan: I would like to try and keep this on a nonpartisan basis, but I think it requires some historical facts.

First of all, Mr Farnan has indicted Liberal members for not listening to the delegations. I do not know whether he has gotten inside the heads of all of us so that he can make a statement like that, but I for one object directly to that statement. I think my other colleagues certainly were all in attendance and listening. I think the message that I got, Mr Farnan, was not that we tried to score some sort of political victory over what they were saying, but was to try to get at the root of why they were so convinced that they needed a guarantee.

I think to understand that, one had to find out from them why they had this concern about the past. Mr Farnan says the legislation prior to the government moving this bill was clear, much clearer than it is now. I suggest to you that may be your opinion, but I disagree with it totally. That was part of the questions I asked to try and determine this.

Some of the statements that I made were not trying to put the groups down or trying to get them to change their minds. What I was trying to get across to them was that under the former bill, and I said that on a number of occasions, if Bill 119 were withdrawn, you would be faced with moneys going into the consolidated revenue fund to be paid out and used for any number of foolish or unfoolish purposes. Those moneys could be used for roads. They could be used for buying Suncor shares. They could be used for buying jets. They could be used for paying off Minaki or keeping Minaki going.

If one looks at the history of the payouts by the former government—and as I say, I do this with some hesitation, but I think the history is of some importance—in fact there were a lot of moneys withheld and obviously used to build up this notional surplus. If there is one thing that is very clear, and I think we made it very clear to the deputations that came before us at the outset, the notional surplus was gone. It was gone, so to deal with the notional surplus really was of no use.

To deal with the ongoing allocation of these moneys, I agree with many of the deputants that in fact in 1975, when Wintario was set up, it was quite clear that on the tickets they had divers, they had dancers, they had track stars and the whole bit.

There is no question that the government of the day, in introducing Wintario in 1975, first of all, never expected that the moneys that would come from it would be the large amounts that did come from it. Second, it certainly did create in the minds of those people that those moneys were in fact impressed with some sort of an obligation, but there was no hue and cry about getting an obligation.

Those groups, being volunteers, were too busy with their volunteer work to become major fund-raisers or to run after the government of the day and say, "You didn't give us enough" or "You are cheating us, because there are great revenues coming in and very little going out." What they did was, they accepted the good faith of the government. What does our government do? As I said as well in questioning one witness: "I don't even know why our government came out of the woodwork and did this. We roused the sleeping tiger is what we did."

I will tell you, Mr Farnan—and this is why I think it is very important—the reason we did it was the fact that this government decided that it was not satisfactory enough to simply have the words "to be available for sports, culture and recreation," and then divert the funds to God knows how many other uses, including the ones I have just referred to.

What this government said was—and we got this from our research people who, as you know and I think the public should know, are people who advise us on a nonpartisan basis. The documents that I have read show that the first two categories, sports, culture and recreation and then the Trillium Foundation, are the first beneficiaries of the moneys that are paid into the consolidated revenue fund.

Mrs Cunningham: Trillium has not had any money for four years. You could if you had wanted to, but you did not.

Mr Callahan: That is why it is in there, because before there was none.

Interjections.

The Chairman: Order, please. Up until now, everyone has patiently listened to Mrs Cunningham and Mr Farnan—

Mrs Cunningham: I know, but this is awful.

The Chairman: I would like the same respect shown Mr Callahan.

Mrs Cunningham: I was respectful. I could have been a lot worse.

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Mr Callahan: Before, there was no specific category or relationship of where the moneys went. They could go any place. They went into the consolidated revenue fund, the government's cookie jar, and there was no specific allocation. What this government has done is said, "You have the categories: A and B first through appropriation—not to be available, but through appropriation."

We all know how the appropriations work. We all know that we have opportunities to challenge them and to raise questions about them. Then and only then, if there were funds left over at the end of the fiscal year did they go to health.

I raised the point with some of the groups and tried to find out from them: "I know where you are coming from. You do not trust, particularly since the previous track record, that funds are going to be made available to you. So it is understandable that you want it ensconced in legislation."

As I put it in a couple of my questions to some of the deputants, if you put it in legislation and you have a third, such as was suggested, it is a double-edged sword. You run the risk that some government will be cynical enough at some point, if the lottery funds dissipate, to say to these groups: "That is all you get. That is what you asked for."

If there is one thing that is common among all the members in this Legislature and on this committee, despite our banter back and forth and our politic playing, it is the fact that we all do agree that culture, sports and recreation are the fabric of this province.

Certainly, I would never sit in the Legislature, and I do not think any member would, and allow that to take a back seat. I think we would all fight for that. In fact, I can tell you quite frankly, if the Treasurer had not come here today and given a guarantee to these people, I would not have voted for the bill. I say that quite frankly.

Mr Farnan, you can smile about it, because you think that you have the only halo in this entire government. But let me tell you that while you were here scoring so-called political points by endorsing statements about specificity of funds, whereas your colleague the member for Beaches-Woodbine (Ms Bryden) was against that and had spoken that way in the House—

Ms Bryden: I have changed my mind since then.

Mr Callahan: —we were working in the background, trying to convince the Treasurer that there should be a specific guarantee. You all know the Treasurer. He does not give away money, thank God. He is parsimonious. He is frugal.

Mr Reycraft: Beat up the parliamentary assistant.

Mr Callahan: I can tell you this much: That guarantee I think achieves what I perceive to be the objective of the groups that came before us

Mrs Cunningham: What guarantee?

Mr Callahan: The groups that came before us wanted to have some spatial allocation of money, some guarantee of money.

Mrs Cunningham: What guarantee?

Mr Callahan: I do not know whether you did not hear it—

Mrs Cunningham: I did.

Mr Callahan: —but the Treasurer very clearly said—

The Vice-Chairman: Just speak to it, not conversation.

Mr Callahan: —that there was a guarantee of a minimum—

Ms Bryden: A promise.



Mr Callahan: No, a guarantee of a minimum of \$120 million a year for sports, culture and recreation. That to me is a commitment that I will certainly speak out against if it is not honoured, and I am sure it will be honoured.

That allows the groups to in fact plan, which I found to be their major reason or objective. In fact, Mr Johnston, whom I perceived as being significantly involved in the alliance that came before us—I asked him that question. I said that we have figures that have been floated around here of \$1.6 billion, if you take all of the lotteries, to \$300 million or \$400 million.

You have some groups asking for 50 per cent, some asking for 75 per cent. Mississauga, interestingly enough, asking for one third to go to sports, culture and recreation and two thirds to go to hospitals. You had all of these figures floating around. So even if you take \$400 million and you take one third of it, unless my math is crazy, you have \$130 million. You have \$130 million if you take a third of it.

Mrs Cunningham: A third has nothing to do with \$400 million. It has everything to do with all the money that is taken in.

The Vice-Chairman: You were not here to listen to all of them.

Mr Callahan: In my view, we have achieved perhaps not exactly what the groups wanted—and I suppose in a perfect world you might achieve that—we have not achieved the totality of it, but I think in fact we have listened to the groups and we have been able to get from the Treasurer a commitment.

I do not see any history of commitments from any previous treasurers of the Conservative government in the past. In fact, one can conclude from the way that moneys were not expended, from the way they were hoarded, that there was no commitment.

Mrs Cunningham: Responsible government. More so than yours.

The Vice-Chairman: Let Mr Callahan complete his remarks.

Mr Callahan: Finally, if I can, I think the argument about using the words "for the operation of hospitals" as pitting hospital against sports, culture and recreation is bogus. What we have done is, instead of leaving it open-ended as was the existing law where it could be used for any little goody that the government of the day wanted—

Mrs Cunningham: Not true.

Mr Callahan: Well, we would have to trace the funds to find out what they were used for.

The Vice-Chairman: Mr Callahan let you speak. He probably disagreed with what you said but he did not interject.

Mrs Cunningham: He agrees with everything I said.

The Vice-Chairman: Mr Callahan is speaking. He has the floor.

Mrs Cunningham: I was correct.

The Vice-Chairman: In your opinion. Just let Mr Callahan speak.

Mr Callahan: We would have to trace the funds to determine what the former government did do with them, but certainly there was nothing specific there to prevent it from using them for potholes and the other things, and I will not mention them again because it gets up the ire of the member for London North, about Suncor and so on. So in fact what we have said is—

Mrs Cunningham: I cannot remember that. I was too young.

Mr Callahan: —that it is hospitals. There is nothing wrong with that. We are not pitting one against the other. What we are saying is that it only goes to those three groups, nobody else. You cannot use it for various things that are unspecified. I think that is a fair statement and it is a fair way of doing business.

Finally—I said "finally" before—I chaired the Sunday shopping committee and I do not ever recall ruling an amendment out of order because of standing order 15. I just want to make that clear.

Mrs Cunningham: It was Bill 113, the Solicitor General.

Mr Callahan: No, the standing order. You made the comment that I ruled one out of order because—

The Vice-Chairman: No, rule 15 he is talking about, in the standing orders.

Mr Callahan: —of rule 15 of the standing orders. I do not ever remember doing that so I just thought I would clear the record up for you.

Mrs Cunningham: I will show you then. You did not rule it out of order.

The Vice-Chairman: Just a moment. Let Mr Callahan conclude his remarks.

Mr Callahan: In essence, all of the things that I have said, I think, have achieved, at least to my satisfaction as a member who is voting for this, there being a commitment to those people. In three years' time, we may have to fight the battle again with some Treasurer and get him to make a commitment or guarantee.

But that is far better than having it put in legislation, where some day our government or whatever government succeeds us can thumb its nose at these groups and say, "Hey, sorry, you asked for one third. Bingos have decreased the profitability of lotteries," or "There have been six or seven different other lotteries that have come into the field. Sorry, you just get the third."

I do not like to put people in that category. It is very much more difficult to have legislation changed than to be able to lobby the government after the three-year commitment is over and say, "Look, you gave us \$120 million now," or, as the Treasurer said, maybe even more. "You had better keep up unless you can show some very good reason why you cannot keep that commitment."

I feel comfortable with that commitment and that guarantee from the Treasurer. I hope I have achieved what I think the people were coming here for and they now can get on with planning and do what they do best, that is, look after the fabric of this province in terms of culture, recreation and sports. So I am going to vote for it, quite obviously.

Ms Bryden: The clause we are looking at is a very significant reversal of past government policy by the brash new Liberal government, which seems to pay little attention to past commitments. I am surprised that this kind of legislation comes from the new government, which stressed that it believed in accountability, consultation with people and fiscal responsibility, because this gives the Treasurer no accountability and is therefore fiscally irresponsible.

The repealing of section 9, which was the original designation of lottery funds for culture, recreation, sports and fitness, is a major reversal in policy. The public will recognize that the bill, if passed, is a betrayal of those commitments. I think the committee should be well aware of that fear or feeling.

They should also be aware that when groups appeal to government officials for more money and are told, "Trust us," this request has now made them very doubtful whether they can trust this government. Many of them applied and were turned down. They were told there was no money, but we know there was money in a variety of lottery funds and we know it was in the consolidated revenue fund but was not being allocated to recreation, culture and sports.

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We have a moral problem before us. The government is doing something that many people regard as an immoral denial of commitments and a rejection of pleas to the government to have a designated section of the funds for each of the various needs the lotteries fill. I am surprised the legislation does not recognize that by setting up some sort of allocation committee that would look at the total lottery money from all lotteries, by developing a system of public consultation that could establish what the main priorities are for the different kinds of lottery funds that have been established over the last 10 years and then by preparing a recommended allocation for each major priority to be honoured.

That would enable the groups to know what percentage of the total lottery funds would be coming to them each year as a minimum and they could plan, as has been said, their future without having to rely on how much money there is in each year's lottery proceeds. We really need a new bill to bring in that kind of accountable distribution of lottery allocations. That is the kind of progressive planning I would have hoped to have seen from a new government.

I want to point out that most of the 100 groups that appeared before us—I think all but about one—told us that the present lottery proceeds were quite inadequate for the needs of all the new cultural, recreational, dance, sports and other groups that are coming forward, and that there must be a minimum guarantee for the total lottery funds.

That is the greatest weakness of this whole bill. When he brought in his own amendment, the Treasurer refused to write in a minimum guarantee. More than 100 groups that appeared before us told us that without that, they cannot compete in the marketplace for all the other needs that people think should be covered by lotteries or that have been covered by lotteries in the past. This is really the crux of the bill. This is why we are voting against it. We want a minimum guarantee.



The alliance of the recreational and cultural groups has suggested a minimum of one third of the total proceeds from lotteries every year. That is a very modest proposal and probably will not allow for a great deal of expansion of the kind that they really need, with the growing cultural and recreational needs of this province. My colleague, in his amendment that was ruled out of order, suggested at least one third, which means that it could be a great deal more if the Treasurer recognized that more money was needed for this very important and growing field.

I know those of you who listened to the briefs realized that many of those small cultural and recreational groups are spending lottery money inefficiently because they do not get enough to hire full-time co-ordinators and have buildings so that they are not at the mercy of a landlord with annual increases, and to have computers that would enable them not only to keep efficient tab on their donors, but to reach out to new ones, to build up mailing lists and to reach corporate donors. Really, we are throwing away money by not giving them a decent guarantee to enable that whole cultural field and their ally, the Ontario Arts Council, to enable this province to become a world-class province as far as its support of culture and recreation is concerned.

At the moment, I would say we are down at least below six or seven in the support they get. It is getting less and less as the groups grow more and more and the costs rise higher and higher. We are not looking at the future by all this arguing over past lottery grants, and yet that is what this legislation is supposed to do. It is supposed to be a new start by looking at all the lottery funds that have come in since the original bill was passed and saying, "We will allocate those fairly among the competing groups and provide a minimum percentage for the major competing groups to give them some sort of stability, security and some opportunity to plan for the future."

We have to recognize that the new section 9 does not continue any legislated commitment to sports, culture, recreation and fitness. The people who came before us told us that in very strong terms and the people of the alliance also voiced their views collectively. If we adopt this bill, we are going in the face of what the people of this province want and need in the cultural and recreational fields and we are empowering the Treasurer with powers that no provincial Treasurer or government should have; that is, to spend money and allocate it without guidelines passed by the Legislature, without consultation and without adequate accountability to the public as to how those moneys are spent and not spent.

That has been a big issue. A good deal of the money was just not spent and the cultural, recreational and sports groups lost out, over many years, by not having money that they could have had to help them grow. They were turned down because there was no money.

The bill is really an indictment of the system that allowed that to happen. I hope we are going to stop it in the future and make sure there is a proper bill that will allow for proper regulation of allocations from the lottery funds and regular guarantees for the various priority groups. That is why I think the culture, fitness and recreation groups need a special percentage for their activities rather than even having to compete with the Trillium Foundation.

There is nothing to prevent the government setting up a fund for the Trillium and having a special budget for it in the other two thirds or whatever is left after it has provided adequately for culture and recreation.

I hope it will not be just one third. I hope it will be at least one third to help them bring themselves up to 20th-century needs, which have been very seriously neglected.

I do not think anybody could have sat here through the hearings without realizing that most of them are operating in a state of penury and we have caused that to happen. I would recommend that the bill be withdrawn and that a new bill be prepared that will provide for proper allocation of all lottery funds.

Mr Reycraft: Mr Chairman, you have allowed other members speaking on this section considerable latitude and I assume that this is the—

The Chairman: My feeling is that most of the speeches have been directed to the bill in its entirety. I would be very surprised if we repeat the arguments on the other clauses, or sections, I guess I should call them.

Mr Reycraft: I intend to address the bill in its entirety and also the process, if I could.

I think the three weeks of hearings that this committee has held on Bill 119 have been very useful. Unlike Mr Farnan, who described them as a sham, I think they have been interesting and informative for all members on this committee. We have had an opportunity to have reinforced for us the important role that culture and recreational organizations play in the overall society of this province. I think we have had emphasized for us the tremendous opportunities that exist to improve individual quality of life through cultural and recreational activities.

I think also we have had a chance to learn about certain problems that exist in the process through which culture and recreational groups apply for funding from various ministries and get approval of that funding. I have to believe that the ministries involved will take heed of the concerns that have been expressed by many of those groups and try to change the process to make it better.

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I think also we have had an opportunity to discuss their concerns with many of the groups and individuals who are opposed to Bill 119 and to better understand them. It is not enough just to know that somebody is for something or against something. It is also extremely important to know the nature of the concern, to understand why groups and individuals are opposed.

Many of the groups that appeared before us made it very clear that of much greater importance to them than how we use lottery funds was the future funding they are going to receive from the provincial government and its various ministries. They do not care as much what portion of the lottery profits go to culture and recreation as they care whether or not there is going to be enough money available to keep their operations viable and give them the kind of support they really require.

I think the Treasurer this afternoon has provided considerable reassurance to those groups and individuals. What many of them were asking for was a guarantee. Today they received a guarantee. The Treasurer promised that for the next three years the minimum level of lottery funds to be applied to culture and recreation is to be \$120 million. Now, Ms Bryden described that amount as a pittance in reaction to it. I do not know what kind of standards

they have in Beaches-Woodbine, but out in Middlesex \$120 million a year is a very sizeable commitment.

That will provide for culture and recreation out of the lottery profits in the next three years the total sum of at least \$360 million. I note that the amount of money allocated this year and the previous two years from lottery profits totals \$310 million. That is an increase in the next three years of \$50 million above and beyond what was allocated in the past three years.

Mr Fleet: At a minimum.

Ms Bryden: Peanuts.

Mr Reycraft: My colleague the member for High Park-Swansea reminds me that is a minimum guarantee, and I certainly do want to reinforce that. Does Ms Bryden now indicate it is peanuts?

Ms Bryden: I think so. They have asked for at least \$500 million.

Mr Fleet: That is a lot of peanuts.

Mr Reycraft: A commitment of \$360 million is certainly not peanuts. I think that had we not held these hearings, that commitment that was made today would not have been made, and there would have been an uncertainty.

Mr Farnan: You are siphoning off \$380 million a year. What does that add up to over three years?

The Chairman: Could we have order, please.

Mr Reycraft: I think the guarantee that has been provided to—

Mr Farnan: That is over \$1 billion over three years.

The Chairman: Could we have order, please. Mr Reycraft has the floor.

Mr Reycraft: —the organizations across this province is indeed significant and I think it is justified. It is important that culture and recreation get that kind of support.

Mr Sterling in his comments, and then Mrs Cunningham in hers, talked about the delay in the hearings. They said it was regrettable that a 1988 budget bill did not get to the public hearing stage until September and October of 1989 and that somehow that reflected the incompetence of the government. I want to say to Mrs Cunningham, who sits in front of me now, that, first of all, this bill that amends the Ontario Lottery Corporation Act has been put out for public hearings. That is more than can be said about the original Ontario Lottery Corporation Act when Mr Welch—

Ms Bryden: Because we insisted on it.

Mr Reycraft: —the then minister who proposed that bill in 1975 was asked to do the same thing with Bill 191, as it was described then, and he refused. It was dealt with in committee but only in committee of the whole. I think as a former—



Mr Fleet: This is an open government.

Mrs Cunningham: It did not go out last time, to be fair, in 1986. You withdrew it after first reading, basically because you had an election.

Mr Reycraft: What Mrs Cunningham says about the bill having been withdrawn is totally incorrect. The bill was never withdrawn. The bill was allowed to die on the order paper as all bills had to do.

Mrs Cunningham: That is different than withdrawing it, is it?

Mr Reycraft: When the government was dissolved the Friday before the civic holiday in 1987, and I remember very well—

Mrs Cunningham: You did not want to do what you are doing now before an election in 1987, did you?

Mr Reycraft: —it died on the order paper.

Mrs Cunningham: You are right. That was smart.

Mr Reycraft: It was never withdrawn.

Mrs Cunningham: You are smart.

Mr Farnan: Devious is the word.

Interjections.

Mr Reycraft: The point I wanted to make here was that as the chief government whip in 1987-88 and the first half of 1989, I was involved with the whips of the other two parties in trying to organize the business of various committees during the recesses between sessions, and an attempt was made in the winter of 1988, in the summer of 1988 and in the winter session of 1989 to get Bill 119 before a committee—any committee—so that we could go to public hearings.

It was the view of the whips of the other two parties that the agenda for committees was simply too heavy and that other bills should be given priority over and above this one.

Mr Fleet: That is shocking.

Mrs Cunningham: Like Sunday shopping.

Mr Reycraft: I recognize the fact that those parties, because of their numbers in the Legislature, have manpower problems.

Mr Fleet: Notwithstanding the fine efforts.

Mr Reycraft: It is somewhat difficult for them to fully staff committees. I realize we have a larger caucus and they believe that it is easier for us.

Mrs Cunningham: It will be different next time.

Mr Reycraft: I remind them that the representation of members on committees is exactly proportionate to that of the Legislature and, quite

frankly, it should be no more difficult for the New Democrats or the Conservatives to have two members on every committee than it is for us to have six members on them. If you look at the ratio of noncabinet members to members on the committee, the ratio is what? Roughly 60 to 10?

Mr Callahan: Don't rub it in.

Mr Reycraft: In terms of standing committees, 10 to one. It is exactly the same for the members in the parties opposite. However—

Mrs Cunningham: How could you even say that there has been a manpower problem? Ninety-four Liberals running around—

Interjection: They consider it people power.

Mr Reycraft: It should be no more difficult for them to staff those committees than it is for us.

Mrs Cunningham: Well, it is.

Mr Reycraft: Well, it is because some of their members, quite frankly, do not enjoy participating in the committee process—

Mr Fleet: On a point of order, Mr Chairman.

Mr Reycraft: —and it is obvious that—

The Chairman: Excuse me. I have a point of order, Mr Reycraft.

Mrs Cunningham: Actually, it is not that you really are—

The Chairman: Mrs Cunningham, I have a point of order.

Mr Fleet: I would simply request on this point of order, as I am being interrupted in making my point of order, that not only is Mrs Cunningham unable to restrain herself with interjections, but she is even doing it when she is not at her microphone which is hard on the people at Hansard. Perhaps, Mr Chairman, you could persuade her not to interject any more.

Mrs Cunningham: When I walk away, I will not be recorded.

The Chairman: I will try to persuade her to keep her cool.

Mrs Cunningham: I am not upset.

The Chairman: I realize that. We are getting to the end of the afternoon. I realize that, but the interjections are causing Mr Reycraft to lose his line of thought on the odd occasion.

Mrs Cunningham: My interjections more than his own colleagues? My goodness.

The Chairman: Mr Reycraft.

Mrs Cunningham: Continue on, Mr Reycraft.

Mr Reycraft: Thank you, Mr Chairman, and thank you, Mrs Cunningham.

The Chairman: I already made that announcement, Mrs Cunningham.

Mrs Cunningham: I will not interject any more. That is my point.

Mr Reycraft: Now that is on Hansard.

The Chairman: That is on Hansard.

Mr Reycraft: So we will know how good her word is now.

Mr Farnan: It is my turn.

Mr Callahan: Come on. I got to carve a turkey.

Mr Reycraft: The point I wanted to make is that we would have liked to have had this bill before a committee for public hearings earlier. It was simply not possible to get it there.

Mr Sterling made a big point of trying to find out how many members who had appeared before the committee were opposing and supporting the bill. There is no question about it. The majority, a large majority, a vast majority of the members who appeared before the committee opposed Bill 119. I have already made the point about—

Mr Farnan: That makes no odds.

Mr Reycraft: —the nature of that objection being more important than simply the fact that they were opposed.

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I just want to draw to your attention, Mr Chair, that the method by which the committee organized these hearings was, I thought, somewhat interesting in that it invited all the groups that had corresponded with the committee over the past year and a half to come before it. There was no public notice given, no public invitation made, of all groups, or members of the public in the province, to come before the committee to give it the benefit of their opinion. Quite frankly, I think had that been the case, we might have heard from at least a few groups, a few municipalities and a few organizations in the province that did support the bill.

One of my colleagues, the member for Cornwall (Mr Cleary), did something quite interesting. In one of his recent householders, he put in a questionnaire that asked the following question: Would you support using lottery proceeds to support hospitals as well as sports, knowing less would go to sports programs? The response to that questionnaire was that two per cent of the respondents were undecided, 11 per cent of them answered no and 87 per cent of them answered yes; 87 per cent of them said that they supported the use of lottery funds for hospitals. So if Mr Sterling—

Mr Farnan: Even if it meant less for the groups. That is what you are saying: even if it meant less for culture and recreation.

Mr Reycraft: Mr Chair, I need the same kind of commitment out of Mr Farnan as I got from Mrs Cunningham.

The Chairman: Mr Farnan, you are out of order.



Mr Farnan: The whole point of the survey is that even if it meant less to culture and recreation.

The Chairman: Order. Would you respect the chair, please? I am calling you to order.

Mr Farnan: I think he is using the statistics to prove the wrong point. It actually endorses the point that is being made here at the committee.

Mr Fleet: Respect the chair, please, Mr Farnan.

Mr Reycraft: I want to acknowledge that this is not a scientific survey of any kind and perhaps its results should be questionable for that reason. However, the point I simply want to make it that while most of the groups that appeared in front of this committee may be opposed to the principle of the bill, I do not believe that means that most of the people in the province are opposed to the bill, and because of the method by which deputants before the committee were selected, I do not think anybody on the committee should interpret it in that way.

Mrs Cunningham indicated in her remarks earlier that if we were not going to amend this bill in the way she and Mr Farnan would like us to, we should have told the people of Ontario that months ago; that we should not have gone through the public hearings.

The principle of this bill as I read it is that lottery funds can be used for culture, for recreation, for the Ontario Trillium Foundation and, as well as those things, for hospitals. That is the principle of the bill. Under the legislative process that we have in this province, the principle of a bill is debated on second reading and the Legislature votes after that second reading debate is held. A committee holds public hearings on a bill to find ways to improve it, without departing from the principle of the bill. So I do not think anybody in the province should be surprised that we are pursuing the principle of the bill, which is that there should be a sharing of lottery profits with hospitals as well as with culture, recreation and the Ontario Trillium Foundation.

The other point I want to make at this time, Mr Chair, is one I have made earlier. I realize the hour is late and I know you would like to conclude this debate, but I want to make the point that it is my view that despite what the Ontario Lottery Corporation Act says—

Mrs Cunningham: You might be by yourself.

Mr Reycraft: Mr Chair, she broke her vow.

The Chairman: Ms Bryden has a question here.

Ms Bryden: You say that this bill says that lottery funds can be used for recreation, culture, the Trillium Foundation and hospitals. Can they not also be used for every other purpose of the provincial government? If they are not spent on those things, the Treasurer has power to spend it on anything he likes.

Mr Farnan: They took the money in the past; why would they not do it again?

Mr. Reycraft: If I could return to my comments? I guess there will be a chance to respond to questions later.

The point I want to make is related to the intent of Bill 191, the one that was passed in 1975. I really do not believe the government of the day ever intended to use all of the profits from lotteries for culture and recreation. I agree, as the minister said at the time, that they intended to use the profits from lotteries to support culture and recreation, but not that they intended to use them all. I say that for two reasons.

The first reason is that there was an amendment proposed by a member of the Legislature during the clause-by-clause debate of Bill 191 that would have taken out that wonderful phrase "to be available" that Mr Callahan has talked about, and replaced it with these words, "...and the total of such funds shall be used as directed in the estimates of the ministry," referring to, I believe, the Ministry of Tourism and Recreation at the time.

Ms. Bryden: That was not passed.

Mr. Reycraft: Ms Bryden points out that that amendment was not passed and she is right, it was not passed. The government, led in this debate by Mr Welch in 1975, refused to support the amendment. There were actually some Liberals in the Legislature at the time who spoke against the amendment and indicated they would not support it. Two speakers, who were New Democrats, a Mr Young from the riding of Yorkview and Mr Foulds from the riding of Port Arthur, both indicated very clearly that their party would not support that kind of amendment because they did not believe that the government should designate funds that way.

Ms. Bryden: We had a different designation.

Mr. Callahan: They are flexible.

Mr. Reycraft: So the amendment was defeated and the bill was passed in the way we now have it today.

Ms. Bryden: We believed in designation.

Mr. Reycraft: The other reason why I do not think it was the intent of Mr Welch's government in 1975 to use all of the profits for culture and recreation is because of the record. My father always told me, when I was judging politicians, I should judge them by their record and not by their promises.

I have always taken that advice. So I look at what was done with the lottery proceeds ever since 1975. In the very first year, there was a surplus of lottery funds relative to what was allocated to culture and recreation of \$38 million, and that surplus was never erased. It went up to \$40 million in the second year. It went down to \$7 million in the third year because the government did make a large expenditure for culture and recreation. I am sorry, I am reading the annual numbers. The \$38 million went up to \$78 million in the second year. It went up again to \$85 million in the third. It then dropped down for a couple of years to \$59 million and then to \$56 million, and then it started to go up again, never ever again to come down. It went up to \$111 million in 1980-81 and it is up to what is estimated to be \$507 million this fiscal year.

The point is that never since the province got involved in the lottery business did it expend all of the lottery profits that were available to it for culture and recreation. This government, led by Premier Peterson and the Treasurer, has followed that practice. The Treasurer, in fact, spoke during the debate in 1975 and indicated very clearly at that time that he was opposed to the designation of lottery profits to culture and recreation.

All that aside, I want to go back to the point that many of the groups made when they appeared before us, that is, that it is not really how many lottery dollars the province uses for culture and recreation that is important, it is how many dollars the province puts behind its commitment to culture and recreation that is important. I have talked in this committee a number of times about the increases in those funds over the past five years and I am not going to bore you and everybody else by repeating those details at this time.

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I do want to remind you again that the \$360-million minimum commitment that the Treasurer has made today is a very significant one. It represents a significant increase over the total lottery funds available over the past three years. I think that is important. I think that commitment is a direct result of this public hearing process and I am pleased to see that the Treasurer has made that commitment today.

The Chairman: Our colleague Mr Faubert has asked for about a minute to make one point. I am going to recognize him. He is a very bashful fellow usually. Mr Faubert has not spoken that much on committees, so I think you should recognize, as a seatmate of his, that his point of view is probably very significant in this particular area. He is a design graduate from the Ontario College of Art and has practised all his life in that area.

Mr Callahan: What are you doing? Is this a roast, or what? Are we going to have dinner?

The Chairman: Mr Faubert, your point.

Mr Faubert: I just want to make one point. I could debate a lot of points put forward by the opposition, but I am going to refrain at this time from doing that. I think the record should be very clear on something that has been stated here. I do not think there is a member of this committee, and that is members on all sides, who disagree with adequate funding of recreation, fitness, sports and cultural activities. I think we all agree on the important role they play in the social fabric of Ontario society and indeed, on their valued contribution to the front end of the health system, and that is in the area of prevention.

But I believe the records show the hearings have not been a waste of time, as some members have stated. I feel, indeed I know, that the some times spirited, and also eloquent, presentations that were made—I was going to say "defence," but it was not defence, it was support for the need for adequate funding by many of the groups that appeared before us—have been listened to, not only by members of the committee and members on this side of the House, but indeed by the Ministry of Culture and Communication, and they are being monitored by the Ministry of Tourism and Recreation.

I just disagree with the statement that the presenters have wasted their time and their energy appearing before this committee. I have sat through the



whole three weeks of these, the whole three weeks, and I heard people say something quite different from what some of the members have interpreted. Many, or most, of the presenters said quite clearly that they were responding to a perception that they were going to be put in competition with health for those dollars, and they said quite directly, "Don't cut funding." That was their main message: "Don't cut our funding." They said quite directly also, "Give us some form of guarantee from which we can plan and from which we can build for the future."

I believe the public have been responded to by the Treasurer today. He gave us a commitment on the allocation of a minimum of \$120 million per year. I am going to check Hansard on this, but I also detected in his statement the fact that he said that, depending on the growth of the economy, this was a base to expect and plan from. Like Mr Callahan, I intend to be around to pursue that commitment.

Mrs Cunningham: I just thought that we had a wonderful presentation yesterday by Mr de Peralta from the Performing Arts Development Fund of Toronto. He, I thought, put it very bluntly to all of us that to use the argument around the words "to be available" was nonsense. He used a different word, but I have never even thought about using it as part of the debate.

The bottom line on this is that lottery tickets are sold for a purpose up until the day this bill is passed. I think all of us have an obligation to the public, and I will say it again, and that is to spend the money for what it was intended. Any excuses any of us make for our past performance, no matter what the government, good or bad, should not be something the public can or should buy into. There is no excuse. I am telling you right now that if anybody thinks the arguments that you have right now will be won out there for the Liberal Party, they will not. Everybody knows, when they bought the tickets under some controversial circumstances, that they intended the money to go to culture, recreation, sport and fitness, and it did not.

That does not make the Conservative government right or the Liberal government right, it was wrong. In fact, the bottom line is that you need this bill to do something else with the money and that is exactly what this bill does. It does something else with the money and it does not spend it for what it was intended in the past. In the future, it will not spend it for what lottery tickets, for Wintario, Lottario and interprovincial games were intended for at all. Of what we take in in revenue, \$120 million may be 100 per cent, it may be ten per cent. We do not know. The practice is, in fact, that it will be less than one third of the money that is taken in by all lotteries, by a long shot, knowing that in 1987, \$1.3 billion was taken in.

Mr Faubert: It was not—

Mrs Cunningham: \$1.3 billion was taken in and so it is less than 10 per cent. All I am saying is, to use the argument that this legitimizes it and everything is okay and you are going to give them more money, will not wash.

Mr Farnan: I have listened carefully to Mr Reycraft and basically what he has done is, that he has tried to multiply over the next three years the promise of the Treasurer (Mr R. F. Nixon) that \$120 million per annum could, may, be applied to culture and recreation. And so, multiplying that, he says, "Look, isn't \$360 million a phenomenal amount of money?" And of course, we agree these are significant amounts of money.

But the important thing about this legislation is this, that this legislation legitimizes the theft of \$1.3 billion in past revenue. Very clearly, that money was collected for culture and recreation. What it also does, over the same three-year period that Mr Reycraft is taking credit for giving some kind of commitment of \$360 million, this legislation is legalizing the appropriation of a further \$1.14 billion over the next three years, from culture and recreation.

The reality of the matter is that this \$360 million, and I prefer to talk of \$120 million next year—no matter what takes place in the lottery area—the reality of the matter is that what the Treasurer has done is not an expansion program. You may have said that you listened to the groups that appeared before this committee, but if you truly listened, you heard of the need of an increasing number of seniors. We heard the need of expanding programs and basically, the fact that a very large percentage of applications that met all the criteria were, at this stage, not being met.

So, in other words, the one-third allocation that is presently in place falls far short of the needs that currently exist, and the needs that will expand over the next three years are basically being locked into a \$120 million that will not meet those needs. The bill gives the government the right to appropriate. It legalizes the sins of the past and legalizes the appropriation of the future. The message to culture and recreation is very clear: your importance in the eyes of the Liberal government is not that important at all.

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Ms Bryden: I just wanted to respond to Mr Reycraft when he said nobody ever challenged the spending in the early years. Nobody is going to go to court to challenge grants when they have been getting some grants, even though they may not have been getting the full amount, because there were not enough statistics available, for one thing, for them to know they were being robbed by lack of allocations and empty pots, as they were told.

We have to look at it from that light. I will not be satisfied until I see a definite guarantee in this bill. Any commitment from the Treasurer is in the same category as commitments he made to increase school funding, to increase housing and so on. We really do not think the commitments are worth the paper they are written on. They have got to be in legislation.

The Chairman: I call the vote on section 1. Those in favour?

Mr Farnan: Is this being recorded?

Clerk of the Committee: If you wish.

Mr Farnan: Yes; I would like it recorded, please.

The Chairman: If you want a recorded vote you are going to have to ask for it before we call the vote. Has it been requested?

Mr Farnan: I would like it.

The committee divided on whether section 1 should stand as part of the bill, which was agreed to on the following vote:

Ayes

Faubert, Fleet, Lupusella, Reycraft, Ruprecht.

Nays

Bryden, Cunningham, Farnan.

Ayes 5; nays 3.

Section 2:

The Chairman: Mr Farnan indicated that he has an amendment for section 2, as amended, because we have already passed an amendment to that section. Would you like to read your amendment into the record? The only change to the draft that you gave us would be that the 1988 would now change to 1989.

Mr Farnan: Basically, in looking at this I am not going to repeat the arguments, you will be happy to know.

The Chairman: Are you going to move the amendment? The only way this amendment will be on the record is if you read it in.

Mr Farnan: You ruled this motion out of order.

The Chairman: No, only the first one when you proposed it and read it into the record.

Mr Farnan: I would like to read this into the record. I move that section 2 of the bill be struck out and the following substituted therefor:

"2. Section 9 of the said act, as set out in section 1, is amended by adding thereto the following subsection:

"(2) The net profits of the corporation that were paid into the consolidated revenue fund before 1 April 1988 pursuant to section 9, as it was before the coming into force of this subsection, and that were not expended before 1 April 1988, shall be accounted for in the public accounts of Ontario as the Ontario lottery trust fund and the annual interest credited to the fund shall be applied,

"(a) for the promotion and development of physical fitness, sports, recreational and cultural activities and facilities therefor."

The Chairman: In following closely what you were saying, I believe in your amendment you have two 1988s. Both of those should now read 1989, I believe.

Mr Farnan: Yes, I think we can put those as 1989. I am sure it is not going to make much difference to your interpretation or ruling.

The Chairman: The same batch of advisers who advised me on the other proposed motion advised me that this one should be ruled out of order as well, so I am ruling it out of order.

Mr Farnan: I would challenge the chair's ruling.

The Chairman: Mr Farnan challenges the chair's ruling.



Mr Farnan: Could we have a recorded vote?

The Chairman: Would you call it before we vote? Mr Farnan again wants a recorded vote.

The committee divided on the chairman's ruling, which was sustained on the following vote:

Ayes

Callahan, Faubert, Fleet, Lupusella, Reycraft, Ruprecht.

Nays

Bryden, Cunningham, Farnan.

Ayes 6; nays 3.

The Chairman: The chair's ruling has been upheld. Is there discussion on section 2?

Mr Farnan: As I said, it will be very brief because I think the arguments have been made. I think what we are talking about in this particular section is the accumulated, unallocated profits of lotteries over the years. In one fell swoop I think the government is saying it is going to legalize the actions of previous governments in misappropriating these funds. Of course, by the first motion that we have already dealt with, you have taken care of syphoning off what amounts to \$380 million per year, or \$1.14 billion over the next three years, in a similar manner.

So this legislation now says to all of the cultural and recreational groups that the covenant that was made between the government of Ontario and the cultural and recreational communities not only has been broken, but we are legalizing the breaking of that covenant. We have appropriated the funds. The funds belong to you, and because they belong to you it has been necessary for us to pass legislation which now makes our actions retroactively legal.

I want to put this in the clearest possible terms for the record. Money was raised from people going in to buy a lottery ticket. When they went into the store, their belief was they were going into the store to purchase a lottery ticket, the profits of which lottery were going to culture and recreation. Every indication was given to them that this was the case.

Mr Lupusella: I disagree with you, Mike. They go there because they want to win, me included.

The Chairman: Could we have order, please?

Mr Farnan: I am glad Mr Lupusella made it here for the concluding of the meeting.

Mr Fleet: He has been here all day.

Mr Lupusella: Exactly.

Mr Farnan: My point is that people will buy lottery tickets, certainly with the hope of winning, but the reality of the matter is, as was pointed out by delegates before this committee—and I hope you were here to

listen to those delegates—they said that even when they bought a ticket, even if the ticket was not the winner, they felt that by buying the ticket culture and recreation was a winner.

Mr Lupusella shakes his head, but that is the way people think. When they buy a ticket that is for culture and recreation they believe that the profits going to those areas will indeed help to improve the quality of life in Ontario. So, there was a covenant. People went and bought the tickets believing that was where the money went.

The money was raised, a large amount of money. We have had debate over how much money, but let's accept the fact that it was a very large amount of money. I think the agreement at this stage is in the region of \$1.3 billion if we take in all of the lotteries, and \$400 million if we are talking about the designated lotteries.

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That money is no longer there. Someone took the money. The only people who had access to the money were the governments of the day in power, whether they were Conservative governments or Liberal governments. It is generally agreed by all the Liberal government members of this committee that the money is no longer there. For the community of Ontario, for the average working people of Cambridge, they know what that is. If somebody goes into their bank account and takes out money that belongs to them, they know that that is theft. That is stealing. It is a very, very simple concept. I find it extraordinary. Of course, in some ways it is much better for the government to say, "Well, it is not stealing because we have just passed an act now which says that we can actually use this money in whatever way we wish."

Mr Fleet: On a point of order, Mr Chairman: This is absolutely discreditable language on the part of Mr Farnan and really it is unnecessary.

The Chairman: For the final time, I hope, Mr Farnan, I have to indicate to you that you are imputing thievery and other things and this is unparliamentary and the record should show that.

Mr Fleet: For those who might happen to read only today, I hope the record will show the fact that Mr Farnan has repeatedly had this point emphasized to him and he persists in doing it, and it is impossible for anybody to believe that it is inadvertent.

The Chairman: I think that is what was implied by my former statement. Will you continue, Mr Farnan, please.

Mr Farnan: Thank you. I want to put it as simply as I can, both for the members of the committee and for the people who will read about what has happened here. I am not surprised that when the cultural and recreational community of Ontario and when ordinary working people who purchased the tickets believing that the designation was for culture and recreation—when they find that the money is no longer there and the government admits it is no longer there, they know what that is, and if in their minds they believe that that is stealing, then of course that is what it is.

Now the government may say that this piece of legislation legitimizes that. I think the first question has been answered. Where is the money? It is gone. The government spent it. Who took the money? The government took the money. Now you may not perceive that as stealing, but the people of Ontario

know what it is. You can dress it up in fancy words and you can use all kinds of devious—

Mr Reycraft: Weasel words.

Mr Farnan: —ways and legal means to try to get around the guy that is working at Babcock & Wilcox Canada, the woman who is on the shop floor in a textile plant, somebody who is serving lunches in a restaurant. These are the people who went out and bought the tickets. The legal beavers can play with legal counsel and they can play with clauses and phrases, but I can tell you that the hardworking people of Cambridge and across this province can see through that kind of—

Mr Reycraft: Don't discredit lawyers; people will not like it.

Mr Farnan: —deviousness, and that is what the government is up to. They are being devious with the cultural and recreational community of Ontario. They are being devious with the ordinary working people of Ontario who purchased the tickets, and they are playing a very shoddy game in terms of what amounts to the legitimizing of theft by some kind of legislation which becomes retroactive, and actually legitimizes the money that was spent over those years.

Not only have you done that; you have put your mark on the funds that will be raised until such legislation can be withdrawn for ever. You are going to appropriate the vast majority of these funds and that is just too bad.

Ms Bryden: I certainly agree with my colleague that the huge accumulation of lottery funds in the consolidated revenue fund is a scandal. Whether it was illegal or not only a court could tell us, if somebody had taken the government to court and said that lottery funds belonging to recreation and culture groups had not found their way to those groups.

A considerable number of people who appeared before us opposed the allocation of the unexpended funds under section 2 because they did not feel that hospitals were an appropriate recipient of lottery funds. They felt that because lottery funds were so small in relation to the needs for culture, recreation, fitness and sports, it was robbing those funds to allow any of the lottery money to be used for hospitals under section 2.

My colleague the member for London North (Mrs Cunningham) pointed out that whatever is in that fund now would still only amount to one or two per cent of the total hospital budget. It might not even add to the hospital budget because the Treasurer could take away that amount from his regular budget for hospitals and so there would be no net improvement in hospital funds. There would be an improvement in his budget if he did that.

He is really able to do that under this present bill for any purpose, not just hospitals, because he can underallocate the funds that come in to the point where there is practically nothing going to the original purposes and have that at his disposal for whatever he wants, reducing the health budget, reducing the education budget or reducing the environment budget. We are really giving the Treasurer the full job of being a one-man budget-writer who determines where the funds go by allowing him to divert lottery funds to other ministries. I think it is a fairly bad principle to allow the Treasurer to have that power and that is why I oppose it.



I do not believe that the hospitals do not need money badly. I think a lot of people are so desperate for an improvement in our hospital services that they have suggested we should have a hospital sweepstake or a special lottery for hospitals. I think that is the wrong approach to solving the needs of our hospitals and the bed shortages and the cancer treatment shortages. The way to improve the hospital situation is for the government to improve the delivery of hospital services and to make them more efficient and more responsive to the needs of this province.

They can only do that by reforming the whole delivery of health care services. They can only do that by putting in more preventive services as well and not having so many curative services. A big shift in health care delivery is needed, but the needs are not going to be helped by this clause that will divert a piece of lottery funds to hospitals. For those two reasons, I think this particular section should be defeated.

I agree that we should not be legitimizing past failures to allocate lottery money and let it go to this purpose of hospitals. I understand—I may be wrong—that if this piece of legislation does not pass, all those unallocated profits will still be in limbo in the consolidated revenue fund and probably cannot be got out of there unless a piece of legislation is passed to that effect. Certainly, I am not going to support it in this bill. It would have to be another bill or some other device that the Treasurer may have for moving that money out of the consolidated revenue fund. If he does, I would hope the next bill would move it into lottery purposes: culture, recreation, fitness and sports.

1710

The Chairman: Are there any further comments or questions concerning section 2 as amended? Calling the vote then, I am assuming it is a recorded vote.

The committee divided on whether section 2, as amended, should stand as part of the bill, which was agreed to on the following vote:

Ayes

Callahan, Faubert, Fleet, Lupusella, Reycraft, Ruprecht.

Nays

Bryden, Cunningham, Farnan.

Ayes 6; nays 3.

Mr Farnan: Mr Chairman, could I ask your advice, please?

The Chairman: Do you want to do it before we do sections 3 and 4, because there are two more sections?

Mr Farnan: Okay

Section 3:

The Chairman: They are housekeeping type things, but nevertheless they are there. Section 3, in case you did not turn the page, says, "This act

comes into force on the day it receives royal assent.". It is that kind of stuff.

Ms Bryden: A recorded vote.

The Chairman: Do you want a recorded vote?

Mr Farnan: Please.

The Chairman: Same count as last time?

The committee divided on whether section 3 should stand as part of the bill, which was agreed to on the same vote.

Section 4:

The committee divided on whether section 4 should stand as part of the bill, which was agreed to on the same vote.

The Chairman: Does Bill 119, An Act to amend the Ontario Lottery Corporation Act carry?

Ms Bryden: Recorded vote.

The Chairman: A recorded vote. Same vote as last—

Mr Farnan: Mr Chairman, the advice I would like to have is this: Is it in order to have a motion that this bill will not be reported to the House?

The Chairman: That is the very next question. As I was going to say, shall Bill 119, as amended, be reported to the Legislature?

Mr Farnan: I would like to move the motion that it not be reported to the House.

The Chairman: You have to vote against the motion.

Mr Farnan: I would like to do it the other way around.

The Chairman: You cannot do it, by the standing orders, unfortunately for you. The next order of business is, shall Bill 119, as amended, be reported to the Legislature?

Mr Farnan: Shall we discuss that?

Ms Bryden: Recorded vote. How about a debate?

The Chairman: Same vote?

Mr Farnan: I think my colleague wants debate on the issue.

Ms Bryden: This is before us for debate, is it not?

The Chairman: We have carried every section and this usually is just a formality to—

Ms Bryden: Yes, but it still has to be passed by the committee and surely we can speak on it as a motion from the committee.

Mr Farnan: Maybe my colleague has some suggestions.

The Chairman: I would like input by the committee and I am prepared to make a ruling on it. Do the rest of the people want this to be—

Mr Reycraft: How much time do you need, Ms Bryden?

Mr Fleet: I do not doubt that the member has the right to debate the motion if she wants. I would appreciate it, though, if at first she would indicate how long she will take.

Ms Bryden: If I am allowed to speak, Mr Chair, it would be fairly brief.

The Chairman: I am usually very lenient on this kind of request, as long as we are brief.

Mr Farnan: I would do the same, Mr Chairman.

The Chairman: Is that the consensus, then, that we do that? Go ahead.

Ms Bryden: I think this is probably the traditional way to vote that a bill not be passed in the House. You can vote against third reading or you can vote a hoist and so on, but it is the only way that we, as a committee, can register complete objection to the bill and therefore it is withdrawn. If we do not report it, it is in limbo and it will never get to the House. Therefore, instead of moving a withdrawal motion, I am moving that we do not report this bill to the House, because it is a bad bill, a flawed bill and does not really do what the people who buy the lottery tickets want, in my opinion.

Mr Fleet: On point of order, Mr Chairman: Ms Bryden actually proposed a motion. I think that is out of order, just to be of assistance to her. I understand what her point is. As I understand the rules of procedure, she would accomplish what she wants if she votes against the motion that is now before the—

The Chairman: The chair cannot recognize a motion at this point because we have another motion before us, as a committee.

Ms Bryden: I did not move a motion. I just asked to speak on the reporting.

The Chairman: Mr Farnan, will you be equally brief?

Mr Farnan: I would just say that on behalf of the New Democratic Party, the only way we can demonstrate our total disapproval of this particular piece of legislation is to vote against reporting it back to the House. As New Democrats, we have clearly given an option and that option was to reflect the views of the groups that appeared before us that a minimum of one third of lottery profits go to culture and recreation and that a trust be set up with the accumulated unallocated revenues, with the interest going to culture and recreation.



By voting against reporting this to the House, New Democrats are on the record with total disagreement with this bill, and the motions that were ruled out of order that we put forward, we believe, are the way to solve the problem. We realize that this can only be done if the Treasurer listens to the extraordinary voice that was presented by over 100 groups during the last three or four weeks.

Mr Lupusella: I feel compelled at this point in time to raise my concern as a way of reaction to different statements made by the NDP in relation to this particular bill, Bill 119.

By way of history, just for the benefit of the committee and the public at large, they should be aware that when the lottery act was introduced in the Legislature, the NDP took a very strong stand against it and voted against the bill. Really, I do not understand this political display of voting in principle and in the House against the act on lotteries when the Tories were in power, and now realizing that the money would be good enough to be given to cultural groups, hospitals and so on. For me it is a high sense of political hypocrisy which I would never justify.

Mr Farnan: For someone who crosses the floor—

Mr Reyecraft: I am ready to vote.

The Chairman: I think that is an extremely fine idea. Shall Bill 119, as amended, be reported to the Legislature?

Mr Farnan: A recorded vote, please.

The Chairman: A recorded vote.

Clerk of the Committee: The same vote?

The Chairman: No. Is Mrs Cunningham voting to report it to the Legislature?

Mrs Cunningham: I want to vote.

The Chairman: A recorded vote. You will have to call them out. There is one additional vote.

The committee divided on reporting Bill 119, as amended, to the House, which was agreed to on the following vote:

#### Ayes

Callahan, Cunningham, Faubert, Fleet, Lupusella, Reyecraft, Ruprecht.

#### Nays

Bryden, Farnan.

Ayes 7; nays 2.

Bill, as amended, ordered to be reported.

The Chairman: Does that complete the bill work?

Clerk of the House: Yes, that is all there is.

The Chairman: As my last official function as chairman of this committee, I would like to thank the committee for its co-operation most of the time.

Mr Callahan: Would you turn over the bank account to the next chairman, please?

The Chairman: I will say that over the year I enjoyed the experience of being able to chair a standing committee very much. You can only do that by co-operation and I have got that, by and large, from the committee. I appreciate that a great deal. Any further comment or questions by the committee?

Mr Reycraft: We wish you well in your new incarnation over at 777 Bay Street.

The committee adjourned at 1718.

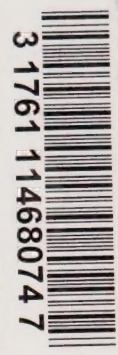






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